

Plan Sponsor Survey 2026

Prepared by Greenwald Research

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BACKGROUND & METHODOLOGY

This report presents the results of an online survey conducted by Greenwald Research on behalf of American Century. The goal of the study was to better understand how plan sponsors run their retirement plans, as well as to gain insights on retirement savings and retirement income needs.

To achieve these goals, respondents were asked about:

- Plan structure, and measurement and performance of plan goals
- Concerns about different types of risk
- Employee performance when it comes to retirement preparedness
- Employee and employer interest in having in-plan income and Target Date Funds added to their options
- The extent to which employee education matters to employers, as well as their performance in this area
- Their reactions to various strategies to encourage employees to save for and generate income in retirement

A total of 500 respondents completed the survey*. The survey was conducted between May 21 st and June 18th, 2026. Respondents were screened to include only those who:

- Have considerable influence when making decisions about their company's retirement plan (either 401(k), 403(b), or 457 plans)
- Have a job title of Director or higher
- Work for a company that has been in business for at least three years
- Work for a company whose defined contribution plan assets are at least \$10 million

The data were weighted to reflect the makeup of the total defined contribution population by plan asset size. Percentages in the tables and charts may not total to 100 due to rounding and/or missing categories.

*In previous years, the survey was fielded using Dynata. In 2026, the survey was fielded with Emporia, an expert network.

EXECUTIVE SUMMARY

RESEARCH STORY

Sponsors Express Concern About Protection and Retirement Readiness

Sponsors express concern in their employees' financial readiness for retirement. They find it important to make sure their employees are on track to reaching their savings goals but are concerned they are not saving enough and that other financial priorities are preventing their employees from saving more. Though, it should be noted that sponsors underestimate how many employees feel they cannot save enough right now.

Sponsors are also concerned about volatility in the market for those closest to retirement. Market risk is the most important type of risk to address with Target Date Fund options. Of those offering or considering a Target Date Fund, protection is preferred over one with the potential for higher return with higher risk.

Though less important compared to other types of risk, sponsors express concern over transition risk. This includes both financial and non-financial aspects of retirement, as less than half feel their employees are very prepared for social and emotional changes in retirement, managing health care in retirement, or adjusting to financial management without a paycheck. Even fewer feel their employees are prepared for not being able to find work in retirement or retiring earlier than planned due to health or caregiving.

Sponsors say that participants need help turning their retirement plan into a reliable income stream. When asked the same question, participants agreed. Both sponsors and participants also agree that employees, especially those nearing retirement, need the most help with managing finances in retirement and using retirement savings to generate income. Both also place importance on using savings to generate income in retirement.

A plurality of sponsors claim to offer or are considering offering retirement income options, most often a Target Date Fund that includes guaranteed lifetime income (GLI). Yet, sponsor preference is for an in-plan option that focuses on protection. They also prefer guaranteed lifetime income to be an option on the investment menu rather than the default.

KEY INSIGHTS AND SUPPORTING FINDINGS

Sponsors care about employees being on track but feel some employees are falling short.

- Sponsors consider their employees being on track to reach their savings goals a top corporate goal when assessing the success of their retirement plan with most (86%) calling it extremely or very important.
- Looking ahead, sponsors believe that only 38% of their employees are on track to replace 80% of their income in retirement. This indicates that many employees may be falling behind as sponsors believe the income replacement rate in retirement for their employees should generally be between 61% and 90% (including one in three who believe it should be between 71% and 80%).

Sponsors should be more aware that employees may have other financial priorities over saving for retirement.

- Sponsors know, to some extent, that their employees are struggling to save for retirement. Though 69% claim to understand how financially ready employees are for retirement, they may be underestimating just how many employees are struggling.
- On average, sponsors believe that 31% of the employees cannot afford to save enough for retirement right now. When asked a similar question, 56% of participants agreed with the statement “I just can’t save enough for retirement right now”.
- Despite this disconnect, nine in ten sponsors express at least some concern that other financial priorities are preventing their employees from contributing more to their retirement plan, with half saying they are very or extremely concerned.

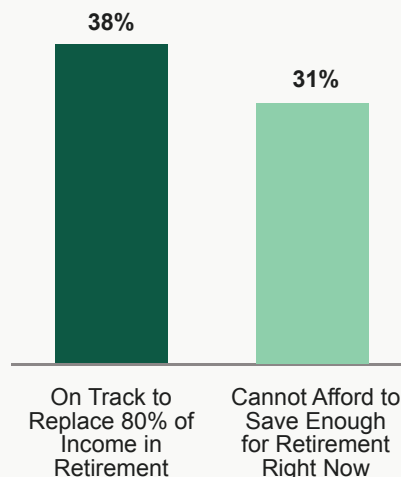
FIGURE 1

Corporate Goals in Offering a Retirement Savings Plan

% Extremely Important

-  **88%**
To help employees generate income in retirement
-  **86%**
Employees are on track to reach their savings goals
-  **82%**
Effectiveness in attracting new employees
-  **81%**
Availability of retirement/financial advice

Average % of Employees Who...



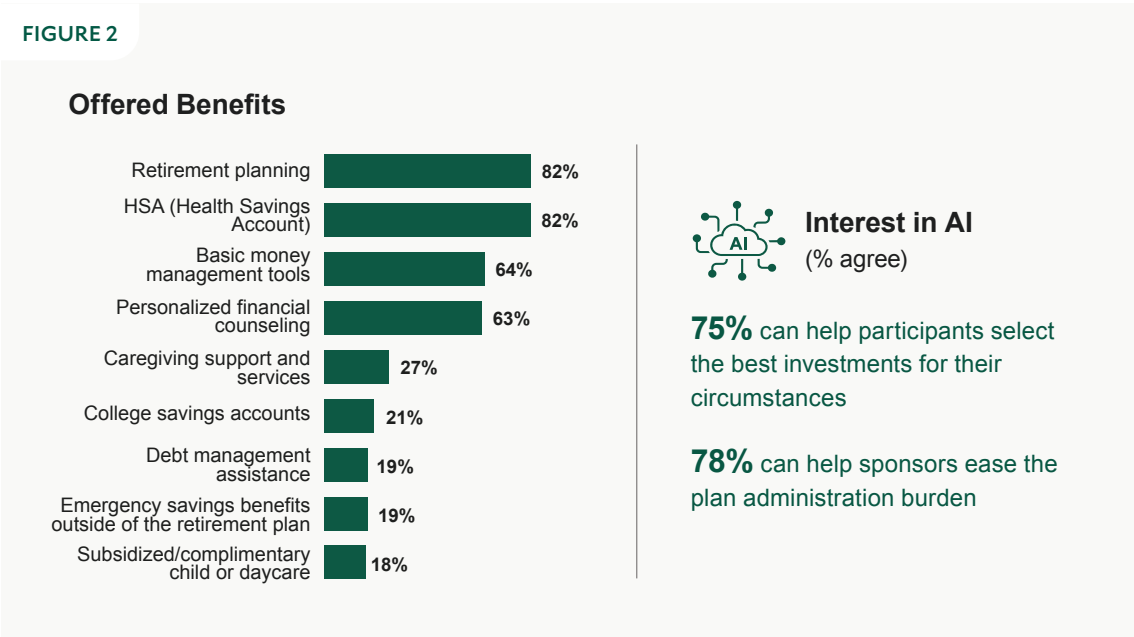
Sponsors can do more to help their employees’ overall financial wellness outside of just offering a retirement plan.

- Sponsors are aware that their employees need financial help outside of their retirement savings. Six in ten (61%) agree their employees need more help with their short-term financial goals than their long-term goals or retirement. However, fewer (40%) feel it is the employer’s responsibility to help employees manage their short-term financial goals.
- Most sponsors offer benefits aimed toward long-term financial goals, such as money management tools (64%) or retirement planning or personalized financial counseling (63%). Fewer are currently offering benefits to help with shorter-term goals. About two in ten currently offer debt management assistance or subsidized childcare.
- Only two in ten currently offer emergency savings benefits outside of the retirement plan. Though one in three (34%) are considering offering, when given the opportunity to allocate an additional \$1,000 per month toward employee benefits, an emergency savings benefit is ranked last behind wages, retirement plan, and health insurance (given only 11% of that \$1,000).

Sponsors should leverage automatic features, including AI.

- Automated features are popular among sponsors. About nine in ten either offer or are considering offering Target Date Funds and automatic enrollment, with more claiming to offer these than in previous years. Half of sponsors also offer automatic increases.
- When it comes to educating their employees, sponsors lean towards automation. 63% feel an automatic program that uses defaults and automatic features is more effective than a strong educational program that allows participants to make informed choices on their own.
- Sponsors are also open to using AI for help, both for their employees and themselves. Three in four (75%) feel that AI can help their participants select the best investments for their circumstances. And for the sponsors, a similar share (78%) feel that AI can help ease plan administration burden.

FIGURE 2



Sponsors don't think employees are fully ready for all aspects of retirement planning.

- Sponsors express concern about the finances of their employees nearing retirement. Half are very or extremely concerned that retiring employees won't be able to make their balance last for their lifetime and another 37% are somewhat concerned. Additionally, only 41% of sponsors believe these employees are prepared to adjust to financial management without a paycheck. Compared to other financial topics, managing finances in retirement is the topic they feel those employees need the most help with.
- In addition to concerns about their finances, sponsors also express concern that employees have not prepared for the non-financial aspects of retirement (49% extremely/concerned). Less than half of sponsors believe these employees are prepared for managing health care or social/emotional changes in retirement.

Sponsors don't want employees working longer just because they cannot afford to retire.

- Most sponsors (73%) do not want their older workers to keep working just because they aren't financially ready to retire. However, they are torn on whether or not they want their older workers to delay retirement for their expertise and additional help, with half agreeing and half disagreeing.
- When they do retire, sponsors have a slight preference for having their older workers retire gradually (56%), which is in line with what the participants say.
- Though, it is important to think about those that retire earlier than planned. Three in four (74%) understand the share of their employees who retire earlier than planned, which according to retirees, is 46%*. But are they prepared to do so? Only one in four (26%) believe their employees are prepared if they need to retire earlier than expected due to health issues or caregiving requirements (though about half of participants say they are when asked).

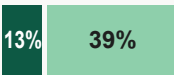
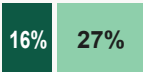
FIGURE 3

 Level of Concern
% Extremely/Very Concerned

- 53%** Market volatility for those closest to retirement
- 51%** That retiring employees won't be able to make their balance last for their lifetime
- 49%** That employees have not prepared well for the non-financial aspects of retirement
- 27%** That departing employees are taking cash out and creating a taxable event
- 16%** That retiring employees will claim Social Security early

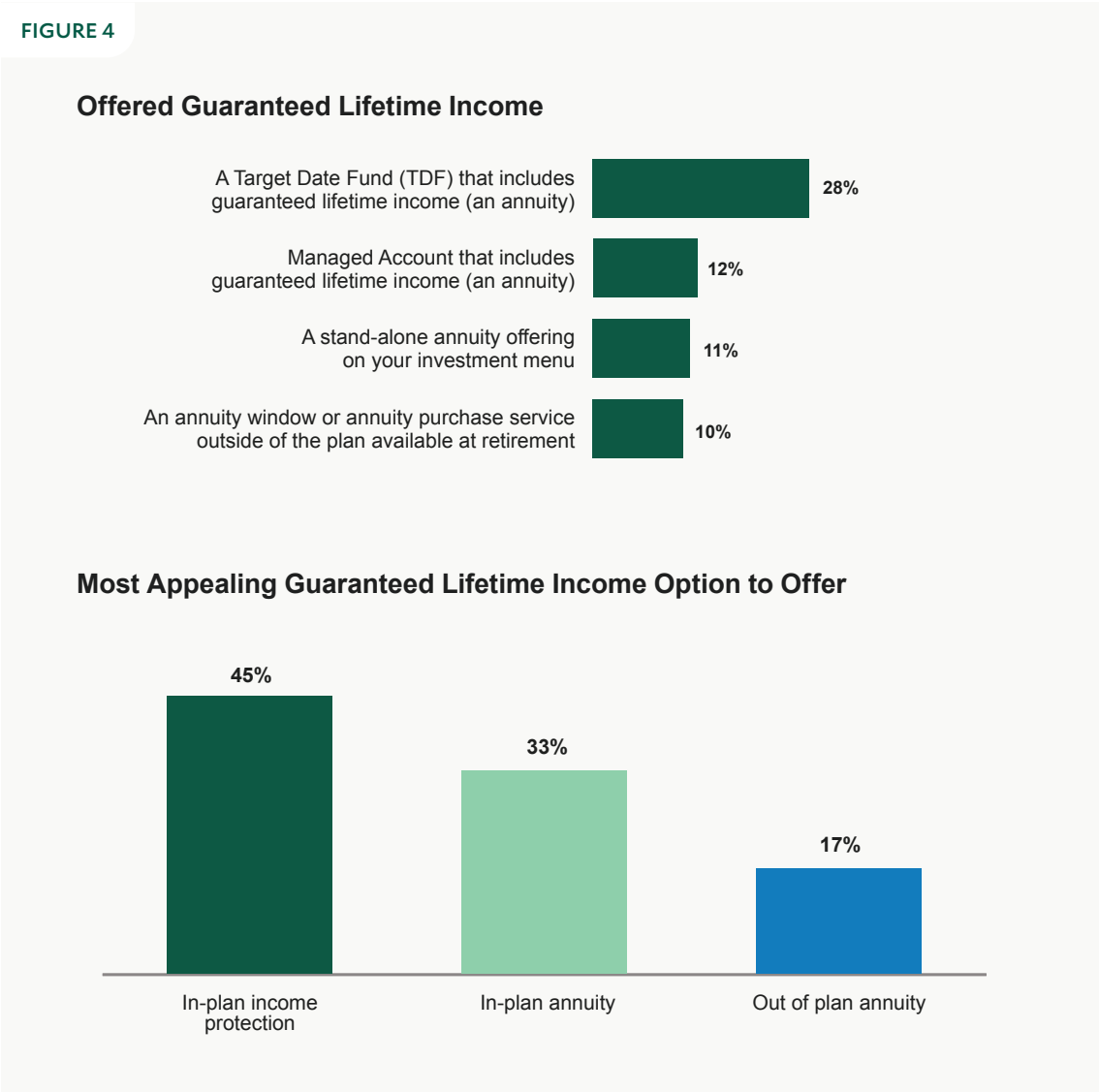
Perspectives on Older Workers

 Strongly agree  Somewhat agree

- We don't want our older workers to keep working just because they aren't financially ready to retire 
- We want employees to delay retirement and work longer for their expertise and additional help 
- We would rather our employees retire full-stop than retire gradually 

There is high interest in guaranteed lifetime income, though sponsors may not truly understand what those options are:

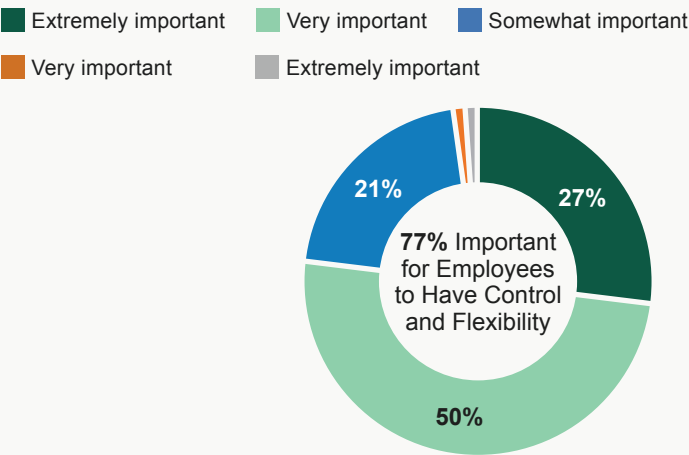
- Nearly half (45%) of sponsors claim they are familiar with in-plan annuities that provide a guaranteed lifetime income in retirement and 17% say they offer them.
 - However, a more detailed question reveals confusion since more than double that (40%) report that they offer retirement income options with an in-plan annuity. These elevated figures suggest sponsors may not fully understand these options.
- They most commonly claim to offer a TDF that includes guaranteed lifetime income.
- Among options, nearly half (45%) find in-plan income protection as the most appealing and one-third (33%) find in-plan annuities as the most appealing. Just over one-third (36%) say they would prefer to implement the in-plan guaranteed income as a default for all participants, rather than an option on the investment menu.
- Similar shares would prefer to allocate both employer and employee assets to in-plan guaranteed income (37%) versus just the employer contributions (38%).



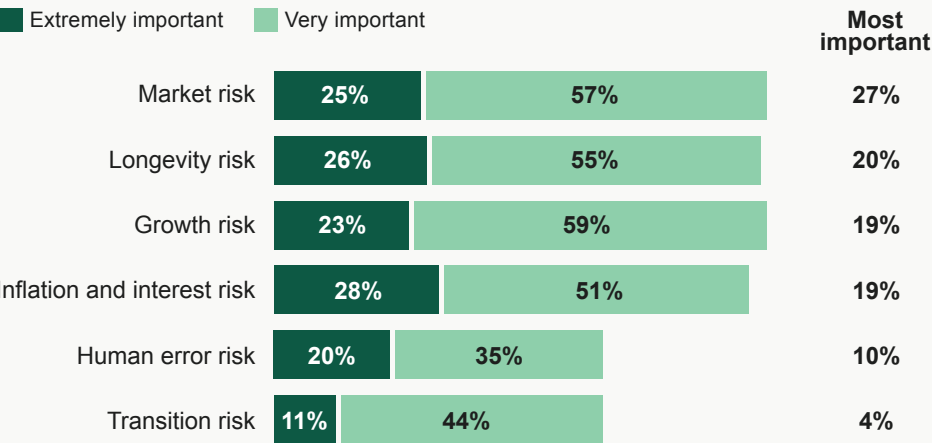
Sponsors prefer protection over high return with volatility risks.

- Sponsors find it important for employees to have their retirement income protected, but with some flexibility. More than half (56%) prefer employees to be able to protect all of their account balance leading up to retirement and allow them the flexibility to choose how much guaranteed income to take at retirement.
- And most (77%) say it's extremely or very important for employees to maintain 100% control and flexibility of their account after retirement.
- Most sponsors (65%) also say it's extremely or very important to protect the value of their employees' entire workplace retirement savings account in the event of a stock market crash. And...
- When compared to other types of risk, like inflation or transition risk, market risk is ranked the most important to address.
 - Notably, though growth risk and inflation and interest rate risk are of similar importance, this is a shift from last year. Sponsors are more concerned about growth risk this year and less concerned about inflation and interest rate risk.

FIGURE 5



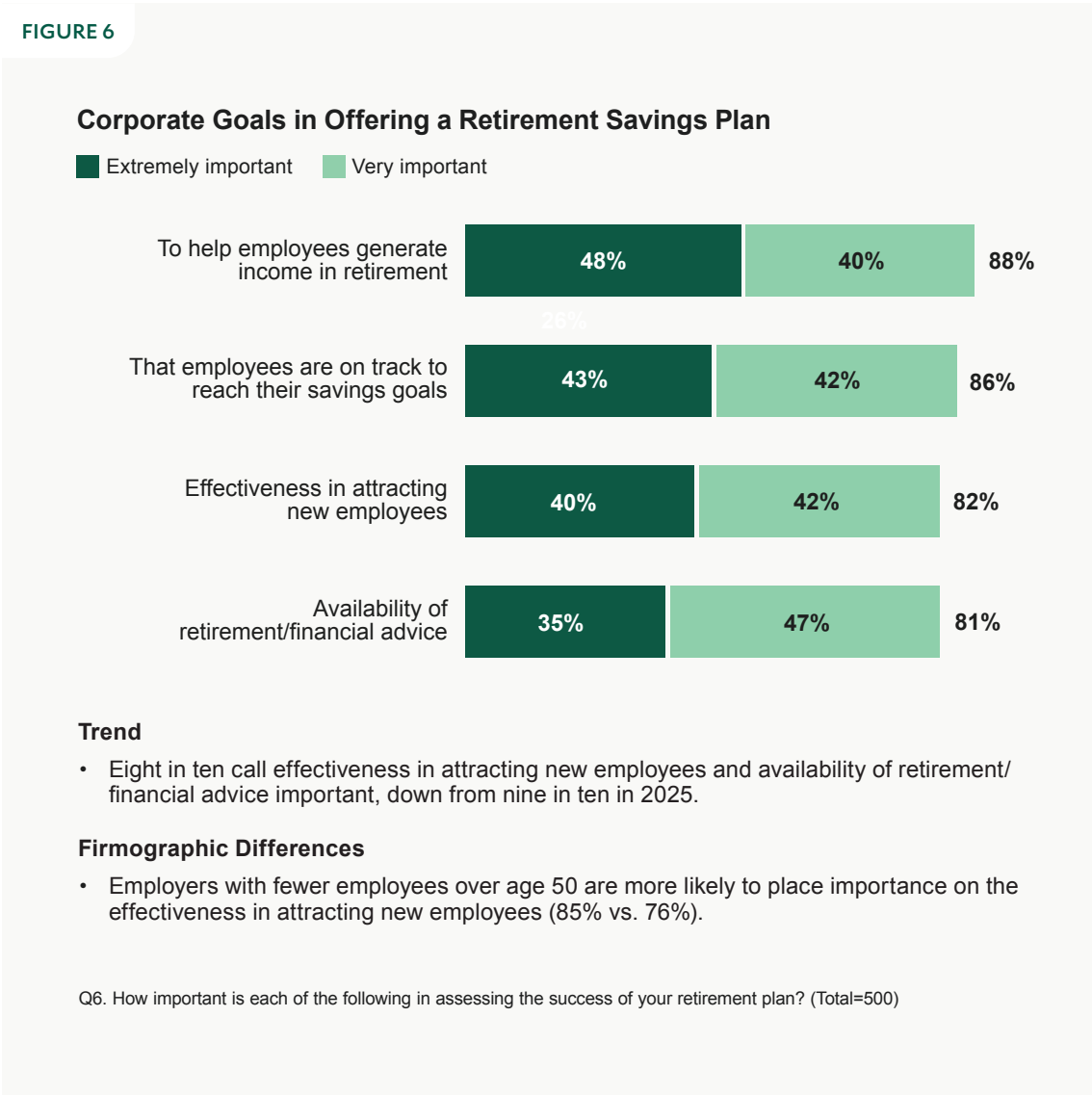
Average Rate Changes



PLAN GOALS AND DESIGN

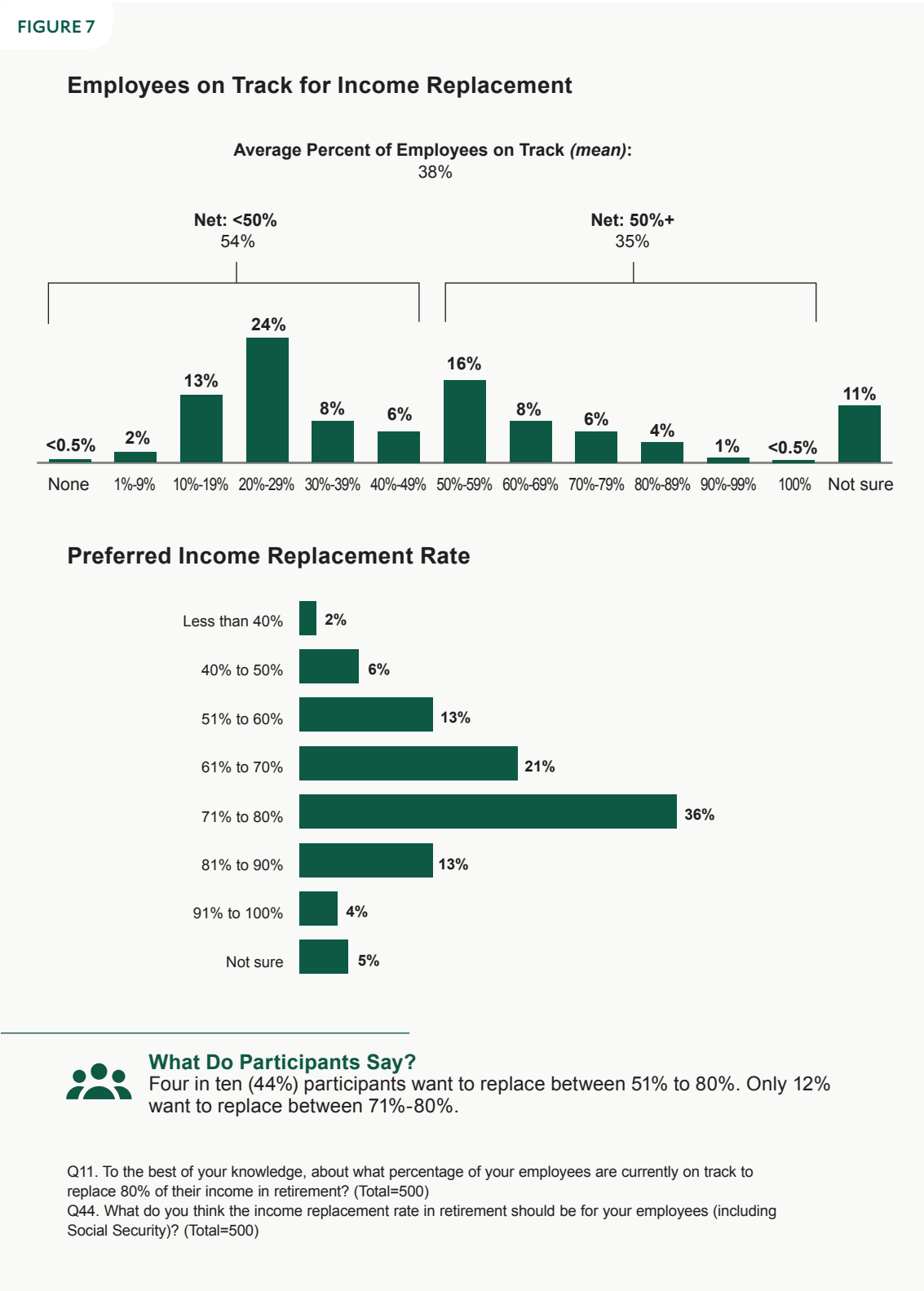
Most find it important to make sure employees are on track to reach savings goals.

- Similar shares of sponsors say helping employees generate income in retirement is important.

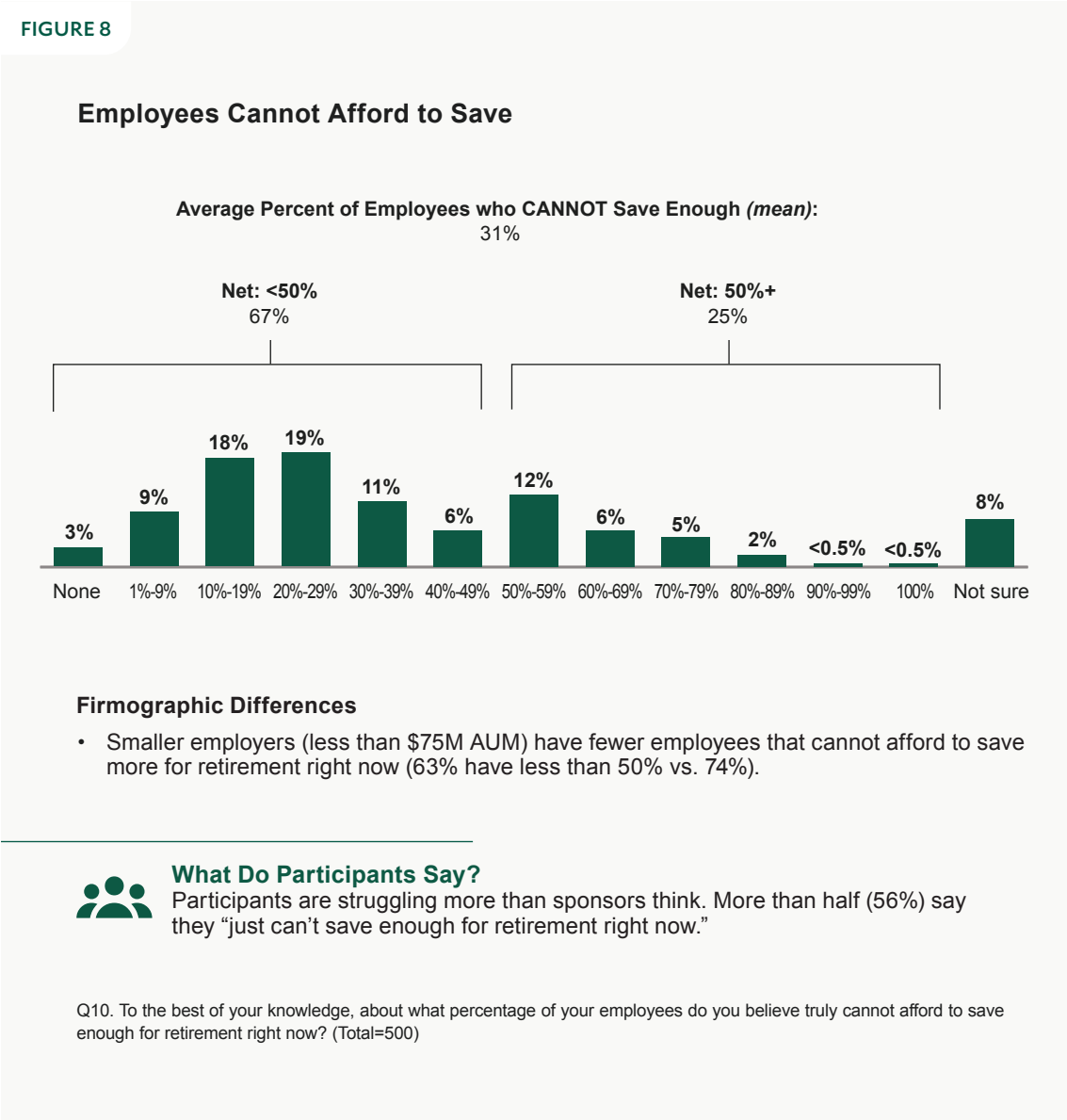


One in three believe that the income replacement rate in retirement should be between 51% to 70%. Another one in three believe the rate should be 71%-80%.

- However, sponsors say that only 38% of their employees, on average, are on track to replace 80% of their income in retirement.



Additionally, sponsors say that 31% of their employees, on average, truly cannot afford to save enough for retirement right now. However, 56% of participants say they feel this way.



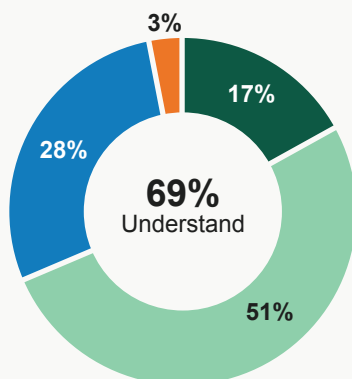
Though more participants report not being able to save than sponsors think, most sponsors feel they understand their employees' financial readiness.

FIGURE 9

Level of Understanding:

How Financially Ready Employees Are For Retirement

- Understand very well
- Understand somewhat well
- Understand very little
- Don't understand at all



Trend

- Understanding of how financially ready employees are for retirement is down from nine in ten in 2025.

Firmographic Differences

- Employers with more than \$50M AUM have a better understanding of how financially ready their employees are for retirement (77% vs. 62%).
- Sponsors that either offer or are considering retirement income report a better understanding of how financially ready employees are for retirement.
- Other groups with a better understanding include those with more employees with children on their health plan and those with more employees under age 30 than average.

Q25. How well do you understand...? (Total=500)

In fact, half of sponsors are very or extremely concerned other priorities are preventing employees from contributing more to their retirement plan. One in three are also concerned with too many early withdrawals.

FIGURE 10

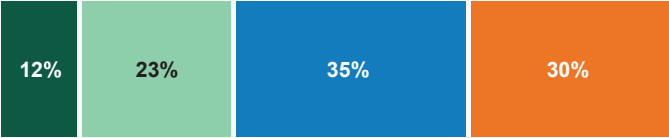
Level of Concern with Risk

- Extremely concerned
- Very concerned
- Somewhat concerned
- Not concerned

Other financial priorities are preventing employees from contributing more to their retirement plan*



That employees are taking too many early withdrawals or loans from their retirement plan*



Firmographic Differences

- Sponsors that either offer or are considering retirement income express more concern than those that are not.
- Those with many employees who cannot save more for retirement are especially concerned with other financial priorities preventing them from contributing more.

Q7. How concerned are you about each of the following? (Total=500) *New 2026

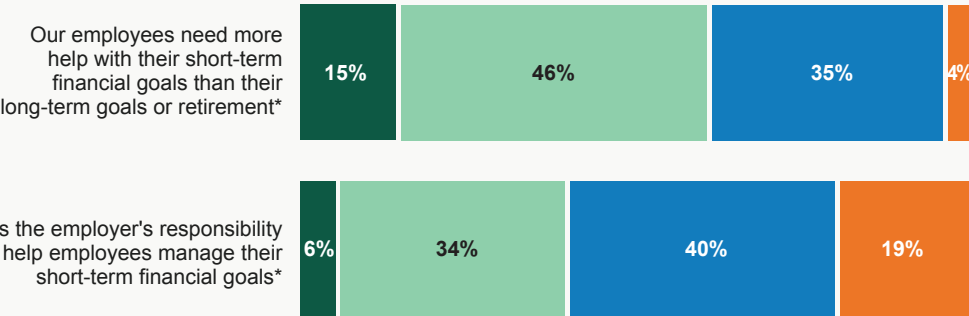
Six in ten say their employees need more help with their short-term goals than their long-term goals or retirement.

- However, only 40% feel it is the employer’s responsibility to help manage short-term financial goals.

FIGURE 11

Level of Responsibility with Savings

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree



Firmographic Differences

- Sponsors that either offer or are considering retirement income are more likely to say it is the employer’s responsibility to help their employees manage their short-term financial goals.
- Those with many employees who cannot afford to save more for retirement are also more likely to feel it is their responsibility to help their employees manage their short-term financial goals.

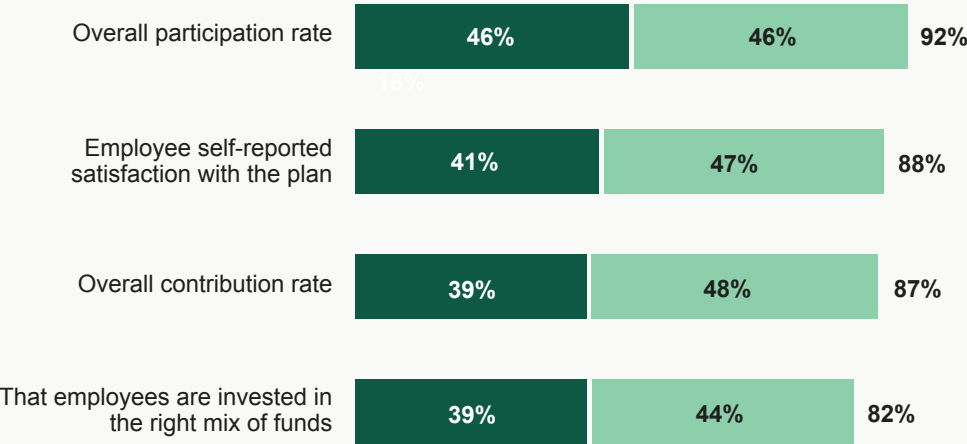
Q8. To what extent do you agree or disagree with each of the following statements? (Total=500) *New 2026

Nearly half find overall participation extremely important in assessing the success of their retirement plan; four in ten say the same about the overall contribution rate.

FIGURE 12

Importance of Plan Metrics

Extremely important Very important



Trend

- Eight in ten call being in the right mix of funds important, down from nine in ten in 2025.
- The importance of overall contribution rate is also down (87% vs. 92%).

Firmographic Differences

- The smallest employers (less than \$50M AUM) are least likely to call overall participation rate, contribution rate, and employees being in the right mix of funds important.
- Employees being in the right mix of funds is less important to sponsors with a younger workforce (85% with fewer than average employees under age 30 vs. 72% with more).

Q6. How important is each of the following in assessing the success of your retirement plan? (Total=500)

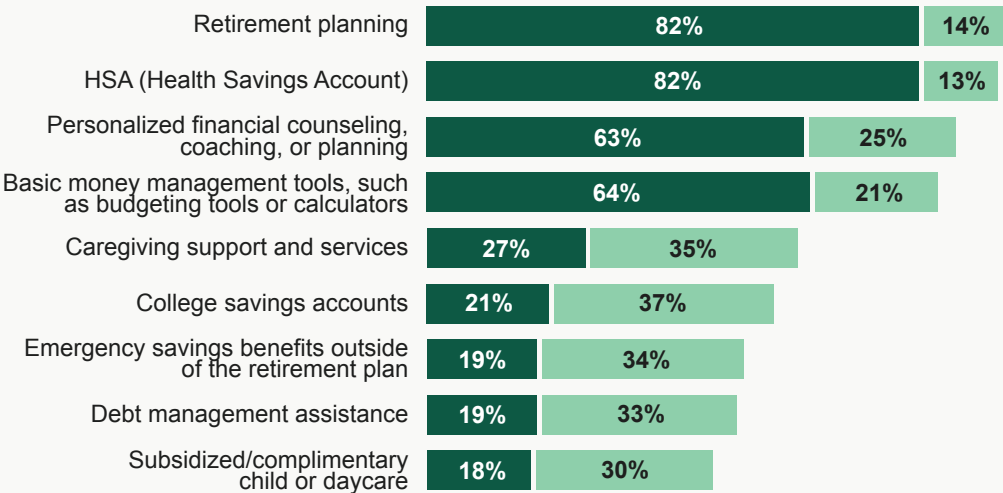
Eight in ten offer retirement planning to their employees.

- Only two in ten offer emergency savings outside of the retirement plan or debt management assistance, though one in three are considering offering them.

FIGURE 13

Benefits Offered

Currently offering Considering offering



Firmographic Differences

- Larger employers (\$75M AUM or higher) are more likely to offer these benefits.
- Employers with many employees who cannot save more for retirement are less likely to offer retirement planning (76% vs. 86%) or HSAs (76% vs. 86%).

Q1. Which of the following benefits do you offer (or are considering offering) to your employees? (Total=500)

When asked to allocate an additional \$1,000 per month toward employee benefits, sponsors choose to put the most money into wages, followed by the retirement plan.

FIGURE 14

Desired Benefits Allocation

		Mean Amount	None	\$1-\$249	\$250- \$499	\$500- \$749	\$750- \$1000
Wages/Salary	39%	\$386	17%	13%	25%	33%	12%
Retirement plan	30%	\$299	13%	30%	31%	18%	8%
Health insurance	20%	\$202	24%	39%	25%	9%	2%
Emergency savings benefits outside of the retirement plan	11%	\$114	45%	36%	12%	5%	1%

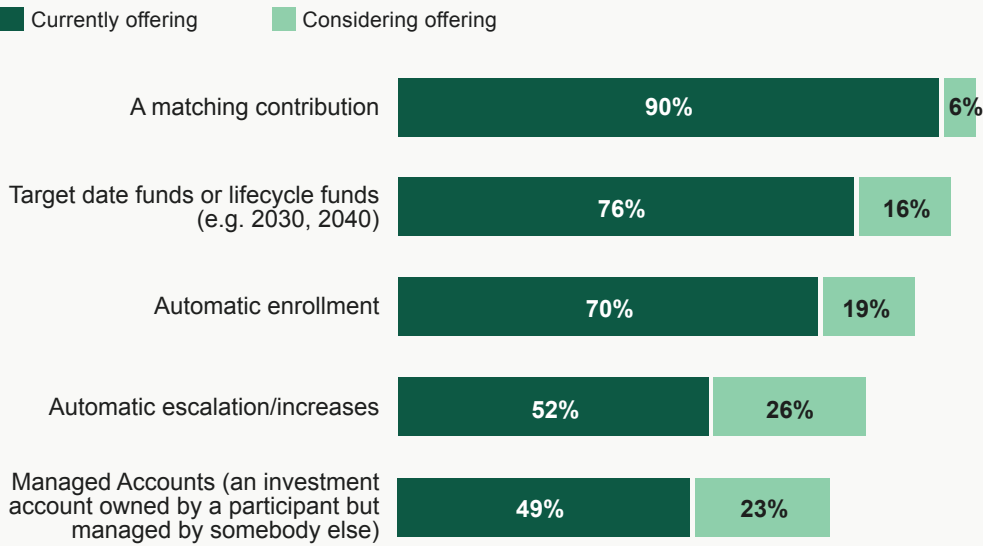
Q9. Suppose you had an additional \$1,000 a month that you could put towards any of the following employee benefits. You could put all of that money on a single benefit, just a few, or use the money for a number of them. How would you allocate that \$1,000? (Total=500)

Nearly all sponsors report offering a matching contribution.

- Seven in ten offer automatic enrollment and half offer automatic escalation. Three in four report offering TDFs and only half report offering managed accounts.

FIGURE 15

Offered Within Defined Contribution Plan



Trend

- More claim to offer a matching contribution, TDFs, or automatic enrollment than in previous years.

Firmographic Differences

- Larger employers are more likely to offer these benefits.
- Employers with fewer women working for them are more likely to offer a matching contribution, TDFs, or automatic escalation.
- Employers with more employees with children than average are more likely to offer automatic enrollment (77% vs. 66%).
- Employers with few employees who cannot save more for retirement are more likely to offer a matching contribution, TDFs, or automatic enrollment or escalation.

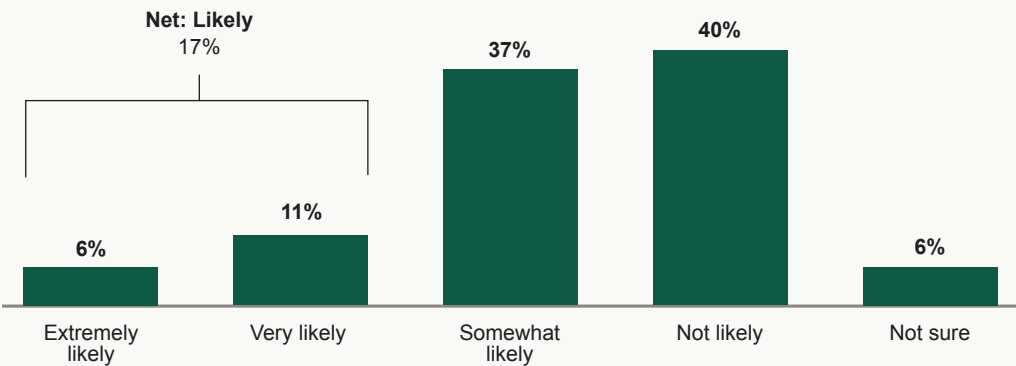
Q2. Which of the following do you offer (or are considering offering) in your defined contribution plan? (Total=500)

Fewer than two in ten are likely to switch to a Multiple Employer Plan (MEP) or Pooled Employer Plan (PEP).

- Another one in three are only somewhat likely, while four in ten are not at all likely to consider switching.

FIGURE 16

Likelihood of Using MEP/PEP



Firmographic Differences

- Employers that claim to offer retirement income are more likely to switch to a MEP or PEP than those who are neither offering nor considering (25% vs. 10%).

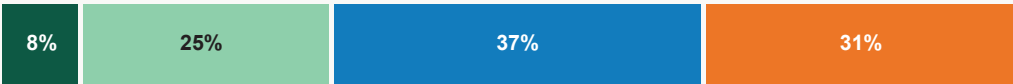
Q5. How likely, if at all, would you be to consider switching from a traditional defined contribution to a Multiple Employer Plan (MEP) or Pooled Employer Plan (PEP)? (Total=500)

One in three sponsors are concerned about liability related to their company’s defined contribution retirement plan. Three in four feel AI can ease that burden.

FIGURE 17

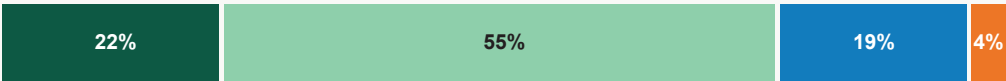
Level of Concern With Liability Related to Your Company’s Defined Contribution Retirement Plan

- Extremely concerned
- Very concerned
- Somewhat concerned
- Not concerned



“Artificial intelligence (AI) can help ease plan administration burden”*

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree



Trend

- Concern over liability is down from previous years.

Firmographic Differences

- Employers most concerned with liability include those who offer or are considering retirement income options, those with fewer women, and those with many employees who cannot afford to save more.
- Employees who claim to offer retirement income options are also more likely to report AI can help plan administration burden.

Q7. How concerned are you about each of the following? (Total=500)
Q24. To what extent do you agree or disagree with each of the following statements? (Total=500) *New 2026

TARGET DATE FUNDS

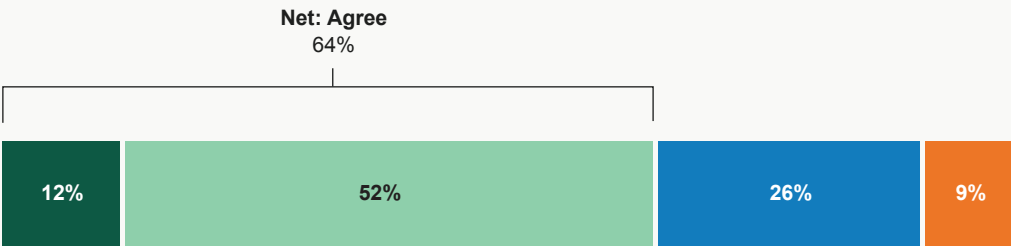
Nearly two in three feel their participants generally understand TDFs.



FIGURE 18

“Target Date Funds (TDFs) are well understood by our participants.”

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree



Trend

- Perceived participant understanding is down from previous years, especially among sponsors who strongly agree that their participants understand TDFs.

Firmographic Differences

- Sponsors are less likely to agree that TDFs are well understood when they have more employees that cannot save more for retirement (51% vs. 71%).



What Do Participants Say?

About half (52%) of participants say they understand TDFs well.

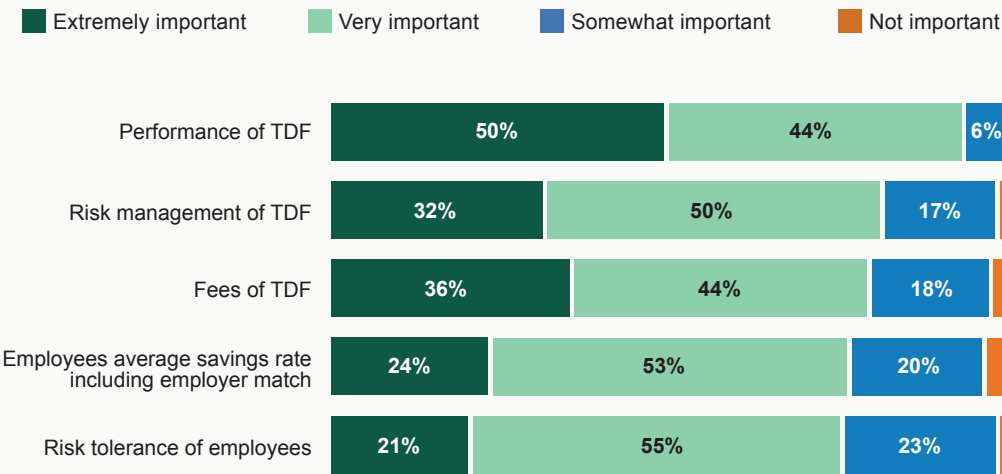
Q14. To what extent do you agree or disagree with the following statement? “Target Date Funds (TDFs) are well understood by our participants.” (Total=500)

Performance is cited as the most important factor when selecting a TDF.

- Risk management, fees, average savings rate, and risk tolerance of employees are also very important.

FIGURE 19

Important Factors in Selecting a Target Date Fund



Trend

- Performance of a TDF rose in importance since 2025 (93% vs.86%), while the average savings rate (77% vs. 85%) and risk tolerance of employees (75% vs.82%) went down.

Firmographic Differences

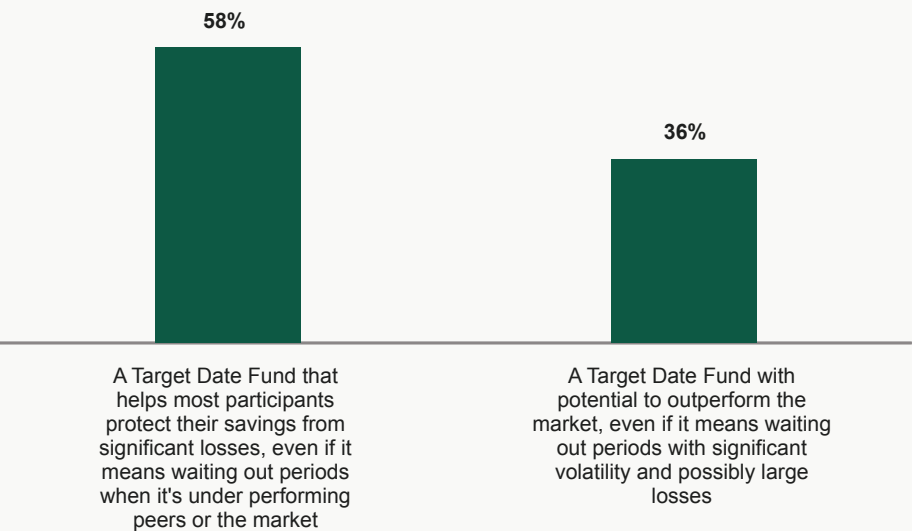
- Sponsors place more importance on the performance of a TDF when they have few employees that cannot save more for retirement (96% vs. 89%).
- The risk management of a TDF is more important among those with fewer employees under age 30 (84% vs. 71%).

Q15. How important are each of the following characteristics in selecting a Target Date Fund (TDF)? Filter: offers/ considering TDF (Total=461)
Labels <5% are not shown in graph

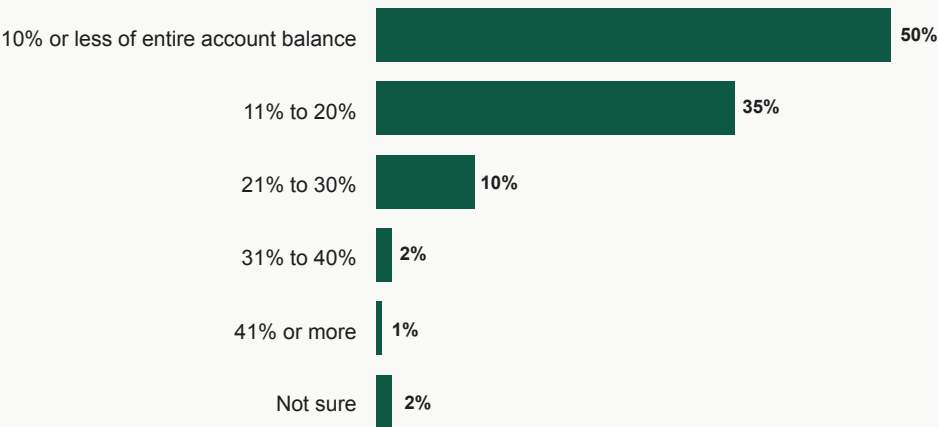
All else being equal, six in ten would prefer a TDF that protects participants from significant losses over the potential to outperform the market. Half are willing to accept downside risk up to 10%.

FIGURE 20

Target Date Fund Design Preferences



Acceptable Downside Risk in Target Date Funds



What Do Participants Say?

Half (49%) of participants prefer a TDF that helps them protect their savings from significant losses even if it means waiting out periods when it's underperforming. Only 34% find 10% or less to be acceptable downside risk.

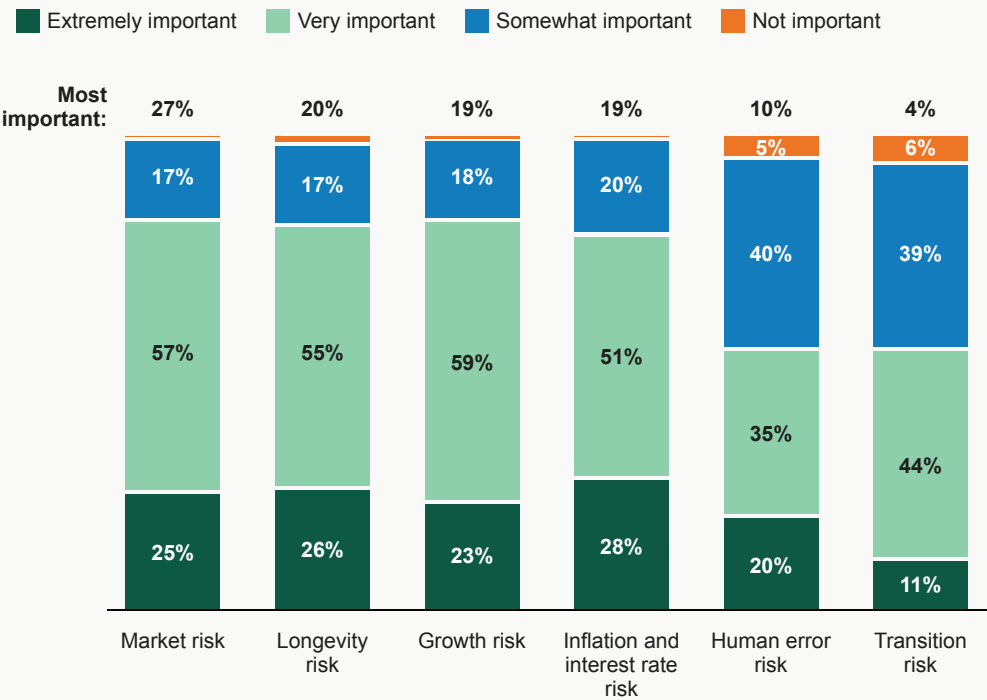
Q16. All other things being equal, which would you rather have? Filter: offers/considering TDF (Total=461) "Not sure" results not shown (6%)
Q17. How much downside risk do you think is acceptable in a Target Date Fund for your employees aged 60 or older, or within 5 years of retirement, during a stock market correction? Filter: offers/considering TDF (Total=461)

EVALUATING RISK

Market risk is the most important type of risk to address, followed by longevity, growth (up from last year), and inflation and interest risk (down from last year) nearly tied for the second most important.

FIGURE 21

Importance of Addressing Risks with TDF Investments



Trend

- Compared to 2025, growth risk is of higher importance (19% place it first vs. 11%) while inflation and interest rate risk is down (19% vs. 36%).

Firmographic Differences

- Growth risk is of higher importance among those that do not offer nor are they considering offering retirement income (25% vs. 15% offering and 14% considering).
- Employers with fewer employees with children are more likely to consider market risk the most important type of risk to address (30% vs. 21%).
- Transition risk is more important among those with fewer employees under age 30 (5% vs. 1%).



What Do Participants Say?

Participants feel differently. They are most concerned by inflation and interest rate risk.

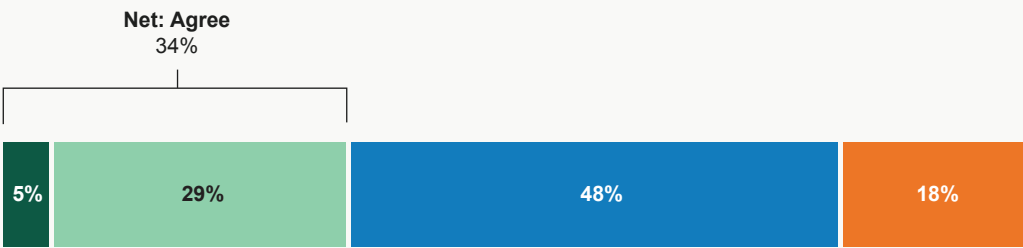
Q12A. When you think about your retirement plan design and investment options, how important is it to address the following types of risk with your target-date investments? (Total=500)
Q12B. Which type of risk is the most important type to address? Filter: important to address at least one type of risk (Total=497)
Truncated question text; Labels <5% not shown in graph

Given market risk concern, it’s not surprising that only one in three say their employees don’t panic when account balances drop from a market downturn.

FIGURE 22

“Employees do not panic when the retirement assets in their plan drop due to a market downturn.”

Strongly agree Somewhat agree Somewhat disagree Strongly disagree



Trend

- Fewer sponsors claim their employees do not panic than in previous years, meaning more employees are panicking than before.

Firmographic Differences

- More sponsors report that their employees do not panic when they have few employees that cannot save more for retirement (37% vs. 28%).



What Do Participants Say?

Participants are less concerned than sponsors think. Two in three (64%) say they do not panic when the retirement assets in their plan drop due to market downturn.

Q18. To what extent do you agree or disagree with the following statement? “Employees do not panic when the retirement assets in their plan drop due to a market downturn.” (Total=500)

TRANSITION RISK

Sponsors are especially concerned with market volatility for employees closest to retirement and them not being able to make their balance last for their lifetime. Half are concerned about non-financial preparedness.

FIGURE 23

Level of Concern with Risk

Extremely concerned Very concerned Somewhat concerned Not concerned



Trend

- Concern with these risks is down from previous years.

Firmographic Differences

- Sponsors that either offer or are considering retirement income express more concern than those that are not.
- Those with many employees who cannot save more for retirement are especially concerned with retiring employees not being able to make their balance last for their lifetime and not being prepared well for the non-financial aspects of retirement.

Q7. How concerned are you about each of the following? (Total=500)
Labels <5% not shown in graph

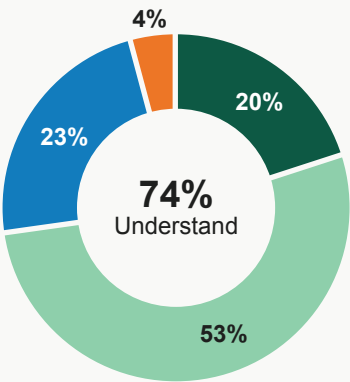
Three in four understand how many employees retired earlier than planned.

- However, sponsors don't want their older workers to delay retirement because they aren't financially ready. When they do retire, more than half would prefer their employees retire gradually.

FIGURE 24

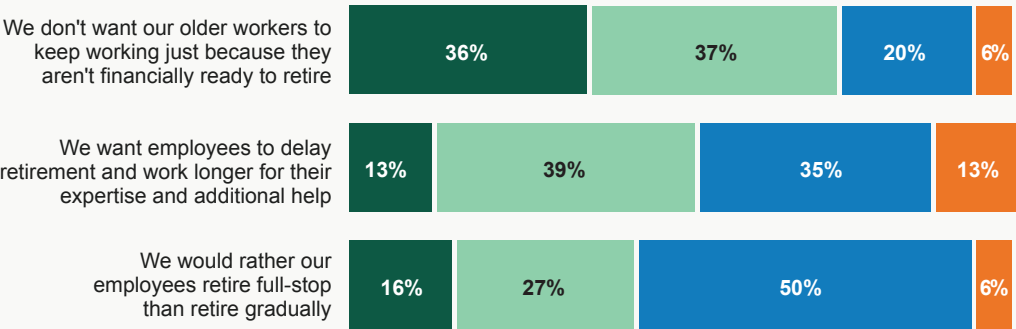
Level of Understanding
The Share Of Your Employees Who Retire Earlier Than Planned

- Understand very well
- Understand somewhat well
- Understand very little
- Don't understand at all



Perspectives on Aging Employees

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree



What Do Participants Say?

Participants are aligned with sponsors. More than half (55%) anticipate retiring gradually.

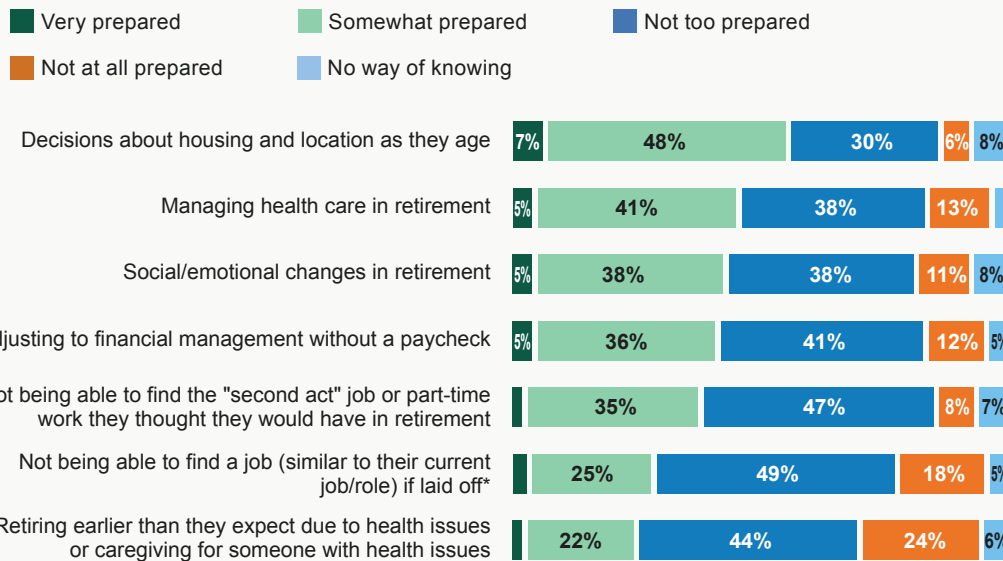
Q25. How well do you understand...? (Total=500)
Q26. To what extent do you agree or disagree with the following statement? (Total=500)

Over half feel their employees are prepared for housing decisions as they age.

- Fewer feel their employees are prepared for other financial aspects of retirement, like financial management without a paycheck or not finding a second job.

FIGURE 25

How Prepared are Employees for Retirement?



Trend

- Sponsors feel their employees are less prepared for these aspects of retirement than they were in 2025.

Firmographic Differences

- Sponsors that either offer or are considering retirement income are more likely to say they feel their employees are prepared.
- Those with more employees with children are more likely to feel their employees are prepared for decisions about housing as they age (63% vs. 52%).
- Employers with few employees who cannot save more for retirement are more likely to feel their employees are prepared to adjust to financial management without a paycheck (47% vs. 30%).



What Do Participants Say?

Participants feel differently.

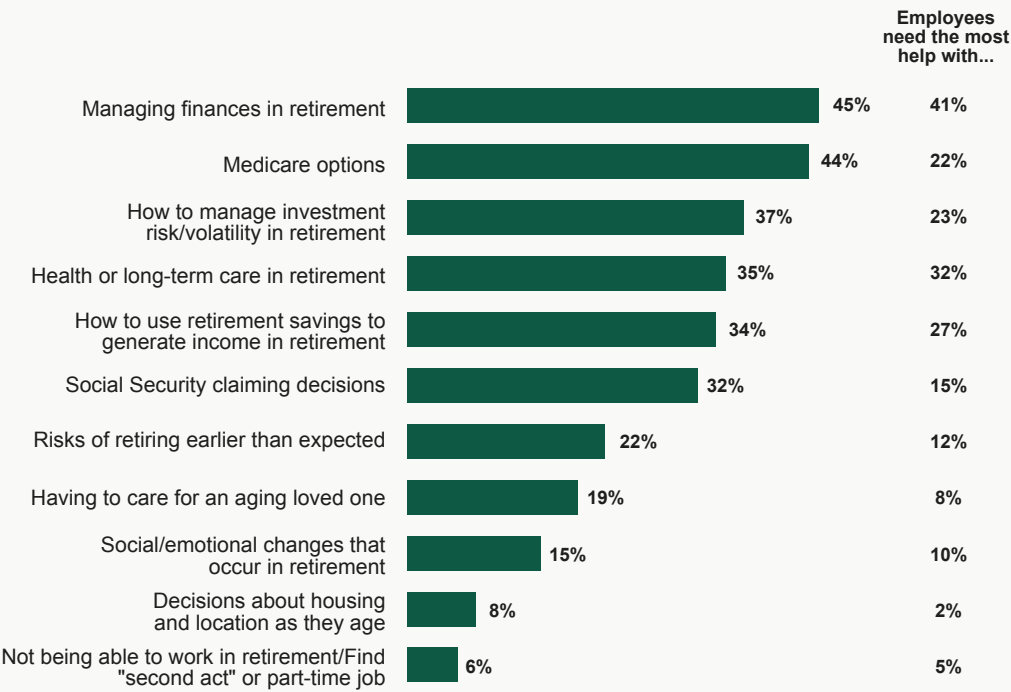
- 64% feel prepared for housing
- 61% feel prepared for health care
- 59% feel prepared for social changes
- 58% feel prepared to adjust w/o paycheck
- 52% feel prepared to not find work
- 56% feel prepared if laid off
- 48% feel prepared to retire early

Q27. As employees near retirement, how prepared do you feel they are for...? (Total=500) *New 2026
Labels <5% not shown in graph

Sponsors feel employees need the most help with managing finances in retirement, but only 45% offer those resources.

FIGURE 26

Resources for Employees Nearing Retirement



Trend

- More say their employees need the most help with managing finances in retirement, health or long-term care in retirement, and Medicare options than in 2025.
- More report offering education about Medicare options.

Firmographic Differences

- Employers with more women are more likely to offer education about Medicare options (52% vs. 42%), though there are differences in the perceived need.



What Do Participants Say?

Participants want the most help with managing finances in retirement and how to use retirement savings to generate income in retirement.

Q28A. Do you provide any educational or planning resources to help employees nearing retirement with the following topics? (Total=500) "None of these" (17%) and "Not sure" (1%) results not shown
Q28B. Which of these do you think employees need the most help with/resources for, regardless of whether you currently offer? Please select your top 2. (Total=500)

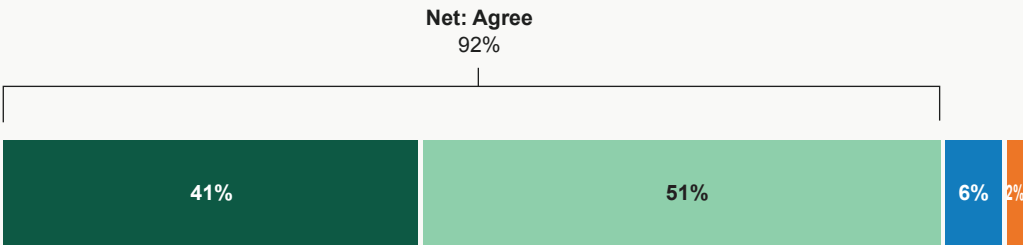
RETIREMENT INCOME

Nine in ten sponsors agree on the importance of helping their employees turn their balance into a reliable income stream when they retire.

FIGURE 27

“It is important to help our participants turn their balance into a reliable income stream.”

Strongly agree Somewhat agree Somewhat disagree Strongly disagree



Firmographic Differences

- Sponsors that either offer or are considering retirement income are more likely to find it important to help their participants turn their balance into a reliable income stream.

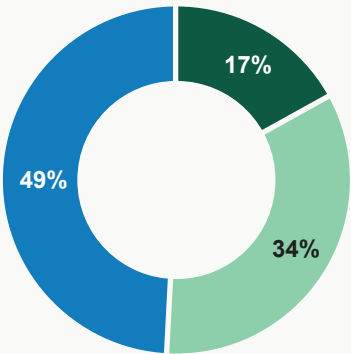
Q43. To what extent do you agree or disagree with each of the following statements? “It is important to help our participants turn their balance into a reliable income stream.” (Total=500)

Over four in ten claim to be familiar with in-plan annuities that provide GLI. In one question, two in ten report offering them, with another third considering.

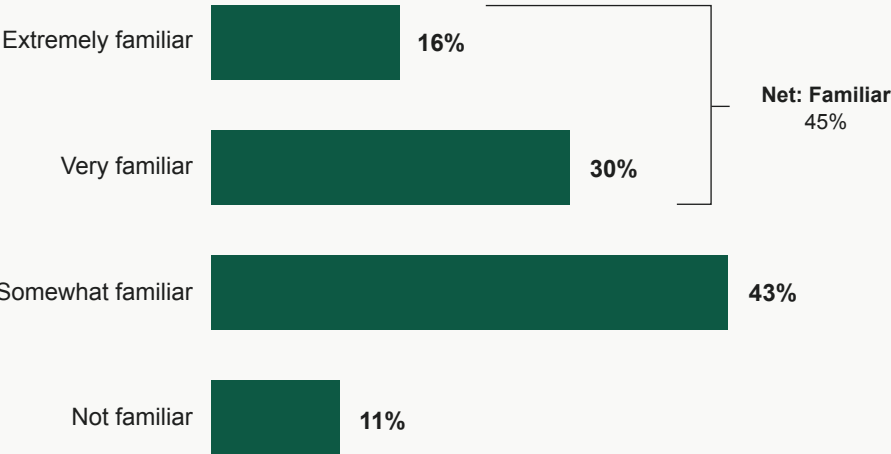
FIGURE 28

In-Plan Annuities that Provide a Guaranteed Lifetime Income in Retirement
Offers vs. Considering

Currently offering Considering offering Neither offering nor considering



Product Familiarity

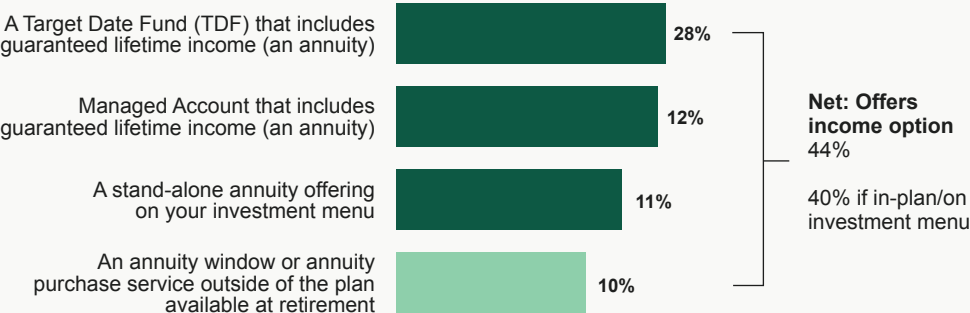


Q2. Which of the following do you offer (or are considering offering) in your defined contribution plan? (Total=500)
Q13. How familiar are you with the following products? (Total=500)

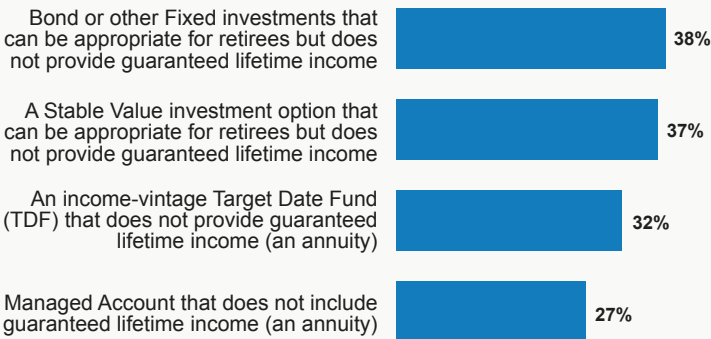
But when asked for greater detail on their offering, over four in ten claim they offer a retirement income solution, most often in the form of a TDF with GLI.

FIGURE 29

Offered Retirement Income Options
Options With GLI/Annuity



Options Without GLI/Annuity



Q31. Do you currently offer any of the following income, investment, or distribution options in your DC retirement plan designed to help retirees protect their savings and/or generate steady income? Filter: some knowledge of retirement income options (Total=458) "Other" (<0.5%), "None of these" (13%), "Not sure" (2%) results not shown.

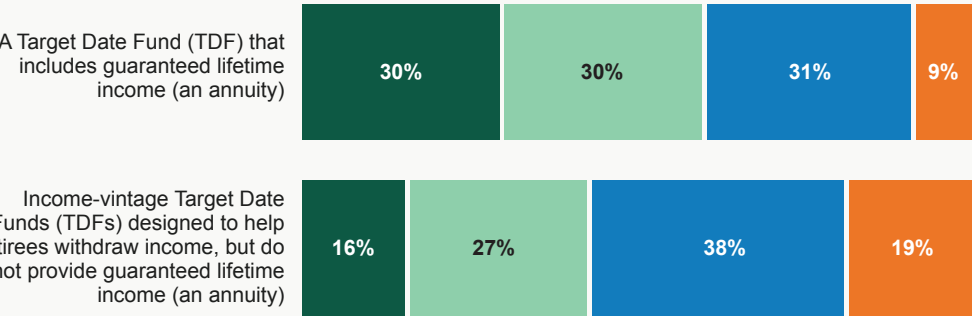
Six in ten claim to be highly familiar with TDFs with guaranteed lifetime income.

- Just over four in ten claim to be highly familiar with income-vintage TDFs, which are far more common.

FIGURE 30

Income TDF Familiarity

Extremely familiar Very familiar Somewhat familiar Not familiar



Firmographic Differences

- Larger employers (\$75M or more AUM) are more familiar with both a TDF that includes guaranteed lifetime income (72% vs. 54%) and income-vintage TDFs (55% vs. 38%).

Q13. How familiar are you with the following products? (Total=500)

Only 11% are actively considering retirement income options and about three in ten are researching it.

FIGURE 31

Knowledge/Planning of Retirement Income Options with Guaranteed Lifetime Income
(Among those not currently offering)



Firmographic Differences

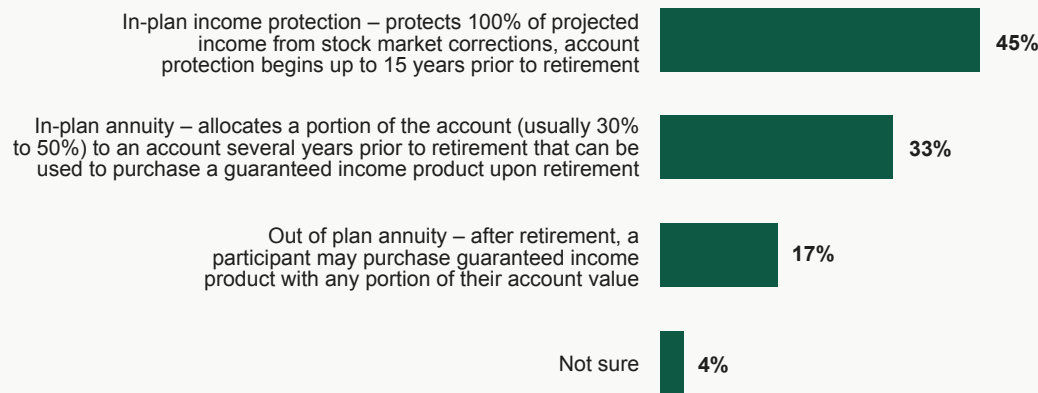
- Employers with more than \$50M in AUM are more actively considering retirement income options with guaranteed lifetime income.
- Those with more employees with children are also more likely to be actively considering these options.

Q30. How would you describe your company's current knowledge/planning with regards to retirement income options that provide guaranteed lifetime income (an annuity) to participants? Filter: Does not offer retirement income (Total=293)

When considering GLI retirement income options, nearly half of sponsors prefer 100% income protection over a percent allocation to an in-plan annuity.

FIGURE 32

Most Appealing Retirement Income Options



Firmographic Differences

- Employers with \$100M or more in AUM are more likely than those with less than \$50M to prefer an in-plan annuity (45% vs. 23%).
- Those with fewer employees with children more often prefer the out of plan annuity (21% vs. 8%).

Q32. If you were to offer a guaranteed retirement income option, which type is the most appealing? Filter: offers retirement income (Total=201)
"Other" results not shown (1%)

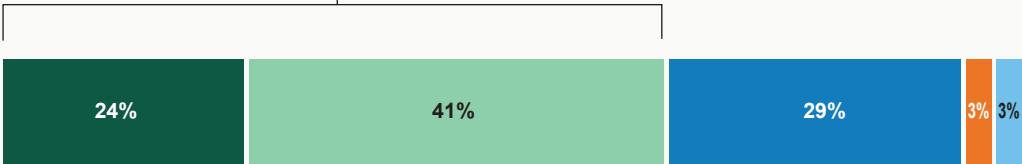
Two in three feel it’s very important to protect the value of their employees’ entire workplace retirement savings account in the event of a stock market crash.

FIGURE 33

Importance of Protecting Value of Entire Workplace Retirement Savings

- Extremely important
- Very important
- Somewhat important
- Not important
- Not sure

Net: Important
65%



Trend

- Fewer find it important for employees to protect the value of their entire workplace retirement savings account balance to generate income when they retire, even if they have to pay to protect than in 2025 (65% vs. 85%).

Firmographic Differences

- Sponsors that either offer or are considering retirement income are more likely to find it important for employees to protect the value of their entire account.



What Do Participants Say?

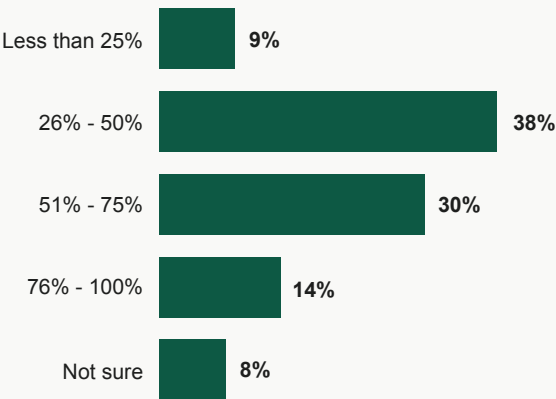
Three in four (78%) find it important to protect the value of their entire workplace retirement savings in the event of a stock market crash.

Q38. In the event of a stock market crash, how important is it for your employees to protect the value of their entire workplace retirement savings account balance to generate income when they retire, even if they have to pay to protect? (Total=500)

Over four in ten want to protect at least half of their employees' retirement accounts from market volatility. Three in ten expect income of more than 6%.

FIGURE 34

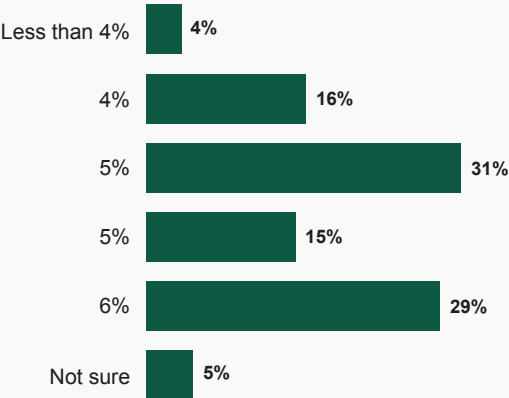
Percent of Retirement Savings to Protect from Market Volatility



What Do Participants Say?

Six in ten (58%) want to protect over half of their account from market volatility. Only 18% expect to be able to generate more than 6% of their income.

Expected Income Amounts, as Percent of Account Balance

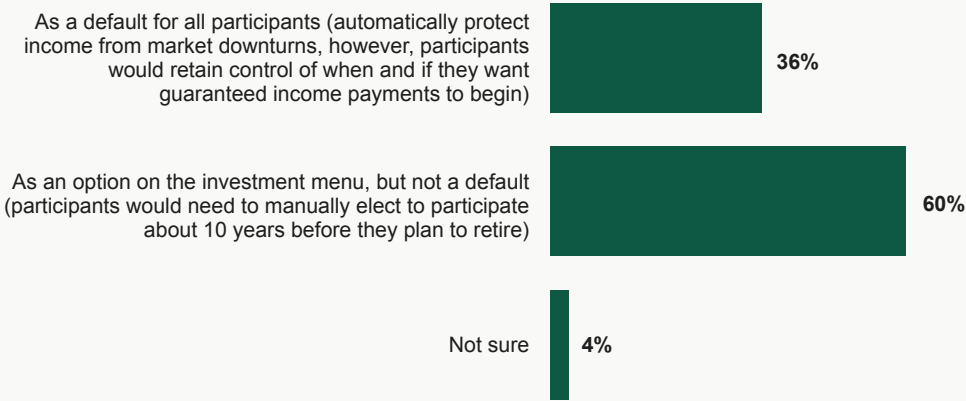


Q39. Approximately what percent of your employees' workplace retirement savings account do you want protected from market volatility so that it can generate income? Filter: important to protect entire workplace retirement savings (Total=470)
Q40. How much income, as percent of their account balance, do you expect your employees to be able to generate from their workplace retirement plan savings when they retire? (Total=500)

Among those offering retirement income, six in ten prefer to encourage participant utilization by having them manually elect to participate.

FIGURE 35

Defaulting to In-Plan Income Option



Firmographic Differences

- Employers with more women in their company are more likely to prefer utilizing in-plan guaranteed income as an option on the investment menu than those with fewer women (71% vs. 57%).

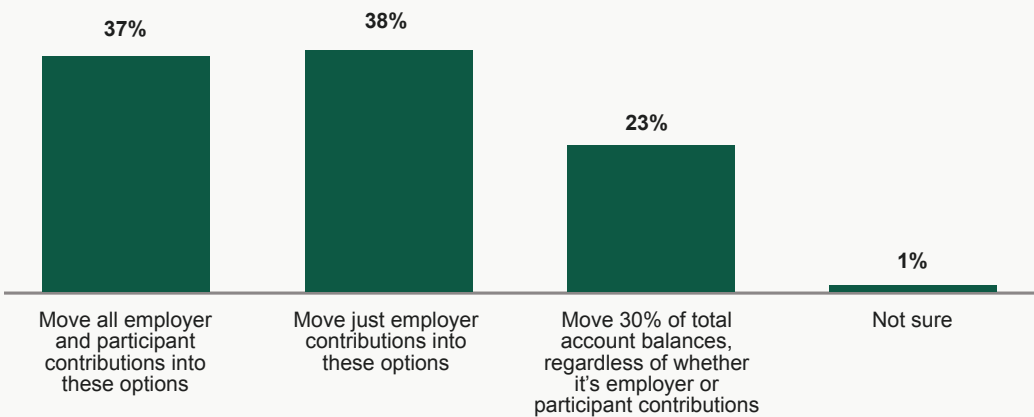
Q33. Regarding the implementation of in-plan guaranteed income, which approach do you most prefer for encouraging participants to utilize the option? Filter: offers retirement income (Total=201)

Sponsors are torn between moving all contributions into in-plan options versus just employer contributions.

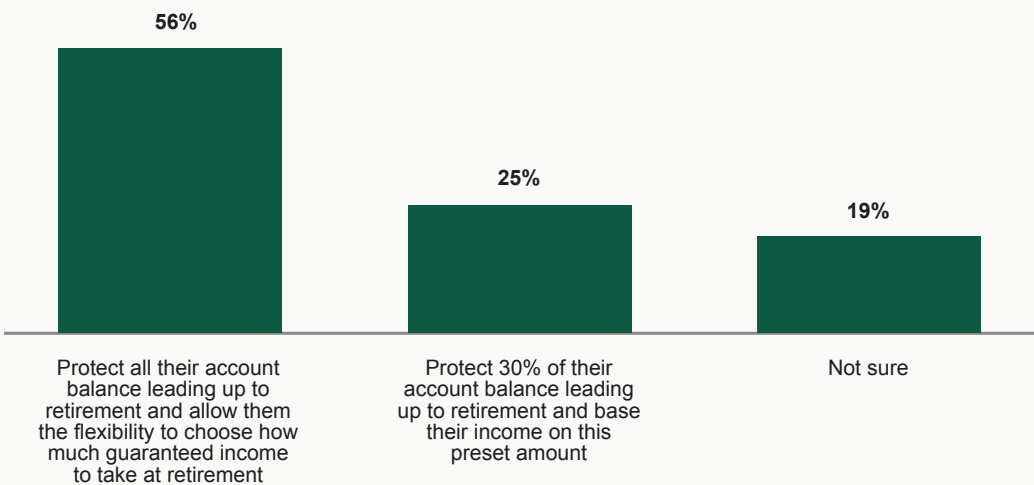
- More than half prefer to protect all of their employees' balances and allowing them the flexibility to choose how much guaranteed income to take at retirement.

FIGURE 36

Preferred Method of Allocation/Default



Preference for Allocation of Assets



What Do Participants Say?

Seven in ten (72%) participants open to default options prefer to protect all of their account balance.

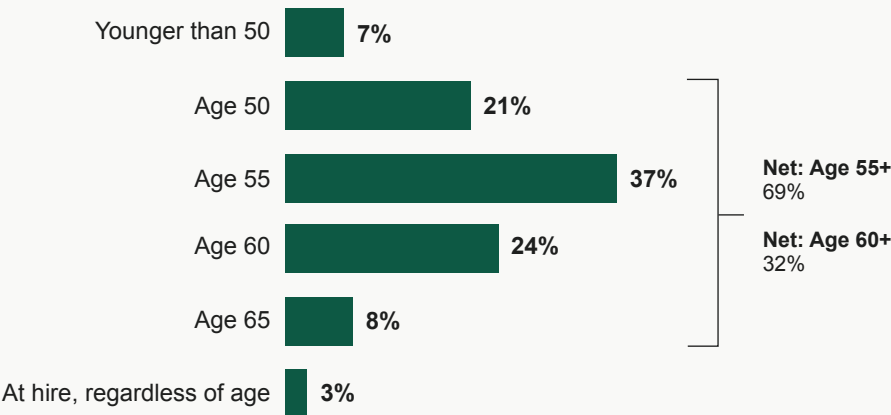
Q34. Which method would you most prefer for determining how assets are allocated/defaulted to in-plan guaranteed income? Filter: open to default (Total=75) "Other" results not shown (2%) Q36. Which method do you most prefer for determining how your employees' assets are allocated/defaulted to an in-plan guaranteed lifetime income solution? (Total=500)

About six in ten believe assets should be moved into these solutions between the ages of 50 and 55.

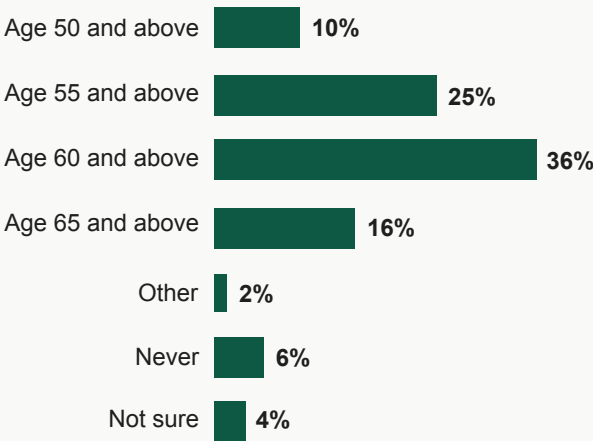
- Two in three think assets should be automatically protected from market volatility starting at age 50 or 55.

FIGURE 37

Age Assets Should Be Moved into Guaranteed Income



Age to Automatically Protect Assets from Market Volatility



What Do Participants Say?

Half (52%) believe this protection should start at age 50 or 55.

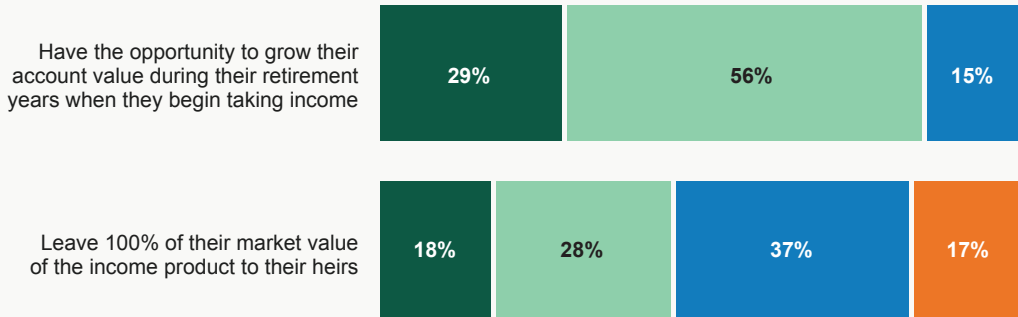
Q35. At what age do you think assets should be moved or defaulted into an in-plan guaranteed income solution? Filter: open to default (Total=75) "Not sure" results not shown (0%)
Q37. At what age do you believe employees' assets should be automatically protected against market losses in order to generate income? (Total=500)

Nearly nine in ten say it’s important for accounts to continue to grow during retirement. Only 45% say leaving 100% of the account value to heirs is important.

FIGURE 38

Importance for Sponsors to...

Extremely important Very important Somewhat important Not important



Trend

- Fewer find it important for employees to leave 100% of their market value to their heirs than in 2025 (45% vs. 71%).

Firmographic Differences

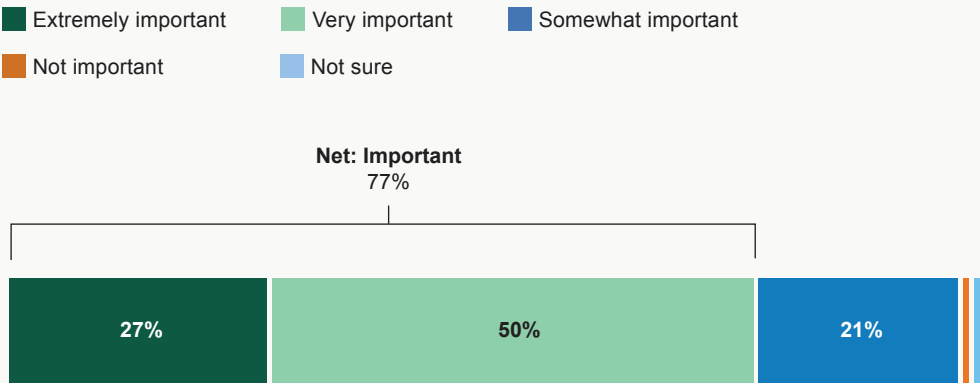
- Sponsors that either offer or are considering retirement income are more likely to find it important for employees to have the opportunity to grow their account value.
- Those with more employees with children are also more likely to find these important.

Q42 How important is it for employees to do or have the following? (Total=500)

Three in four say it's very or extremely important for their employees to maintain 100% control and flexibility of their retirement account after they retire.

FIGURE 39

Importance of Maintaining 100% Control of Account After Retirement



Trend

- Fewer find it important for employees to be able to maintain 100% control and flexibility of their account than in 2025 (77% vs.82%).

Firmographic Differences

- Those with more employees with children are more likely to find this important.



What Do Participants Say?

Similarly, three in four (78%) participants find it important to maintain 100% control and flexibility.

Q41. After they retire and begin taking income from their workplace retirement savings account, how important do you think it is for your employees to be able to maintain 100% control and flexibility of their account, should they change their mind and want all of their account, should they change their mind and want all of their money back for other uses? (Total=500)
Labels <5% not shown in graph

PARTICIPANT EDUCATION

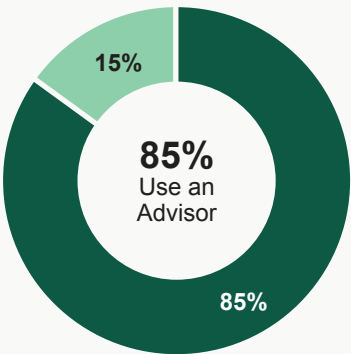
Most sponsors have a financial advisor that advises them on their plan.

- The most important duty for that advisor is investment selection and monitoring. Only 2% say helping employees with non-financial transitions for retirement is most important.

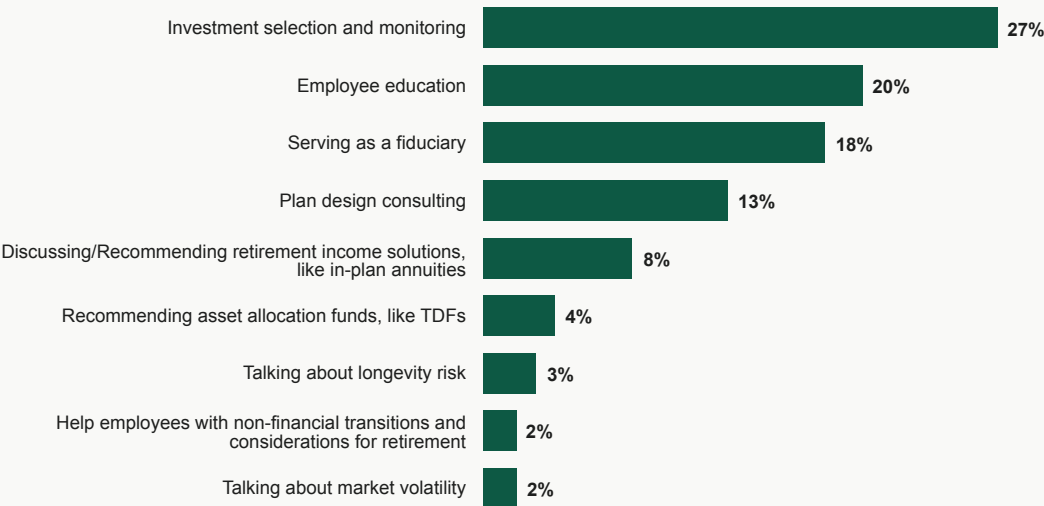
FIGURE 40

Use of Professional Financial Advisor

Yes No



Most Important Advisor Duties Being Performed (Top Results)



Q22. Do you currently have a professional financial advisor that advises you on your plan? (Total=500) *New 2026
Q23. What is the most important duty your advisor performs or could be performing? / If you had a professional financial advisor that advised you on your plan, what would be the most important duty that advisor could be performing? (Total=500) Top results shown

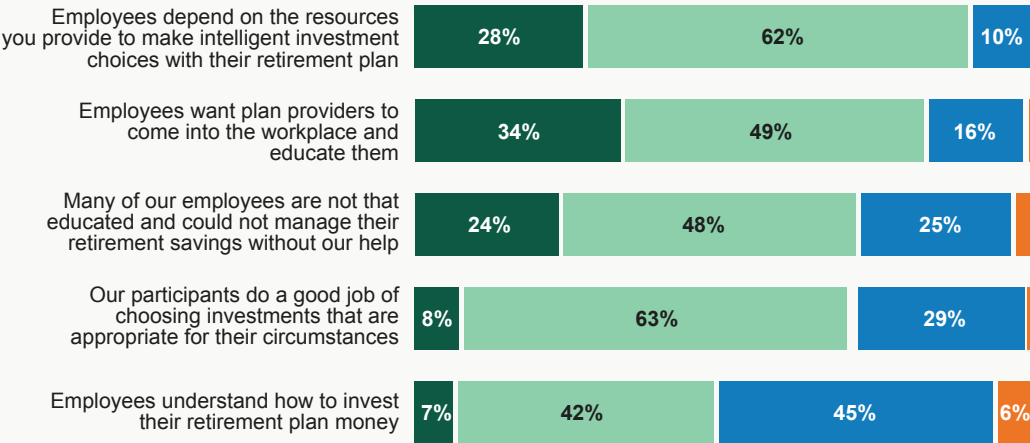
Most sponsors feel their employees depend on both the retirement resources they and the plan provider offer.

- However, fewer feel their employees understand how to invest.

FIGURE 41

Employee Understanding

Strongly agree Somewhat agree Somewhat disagree Strongly disagree



Trend

- Compared to 2025, fewer sponsors agree that employees want plan providers to come into the workplace and educate them, that their participants do a good job of choosing investments, and that their employees understand how to invest their retirement plan money.

Firmographic Differences

- Those with many employees who cannot afford to save more for retirement are more likely to say their employees are not that educated and could not manage their retirement savings without help (83% vs. 68%) and are less likely to say their employees do a good job choosing investments (63% vs. 73%) or that they understand how to invest their retirement plan money (37% vs. 54%).

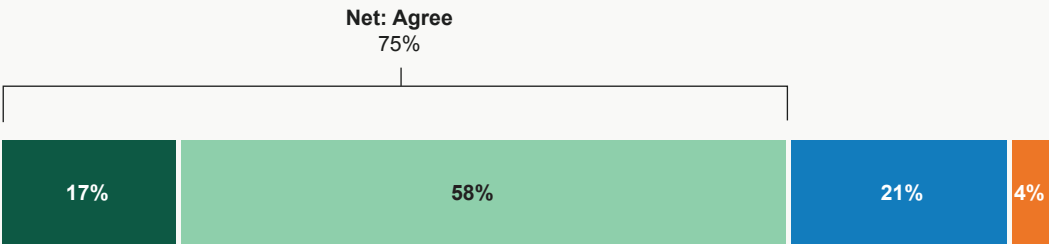
Q24. To what extent do you agree or disagree with each of the following statements? (Total=500)
Labels <5% not shown in graph

Three in four sponsors feel AI can help their participants select the best investments for their circumstances.

FIGURE 42

“Artificial intelligence (AI) can help our participants select the best investments for their circumstances.”

Strongly agree Somewhat agree Somewhat disagree Strongly disagree



Firmographic Differences

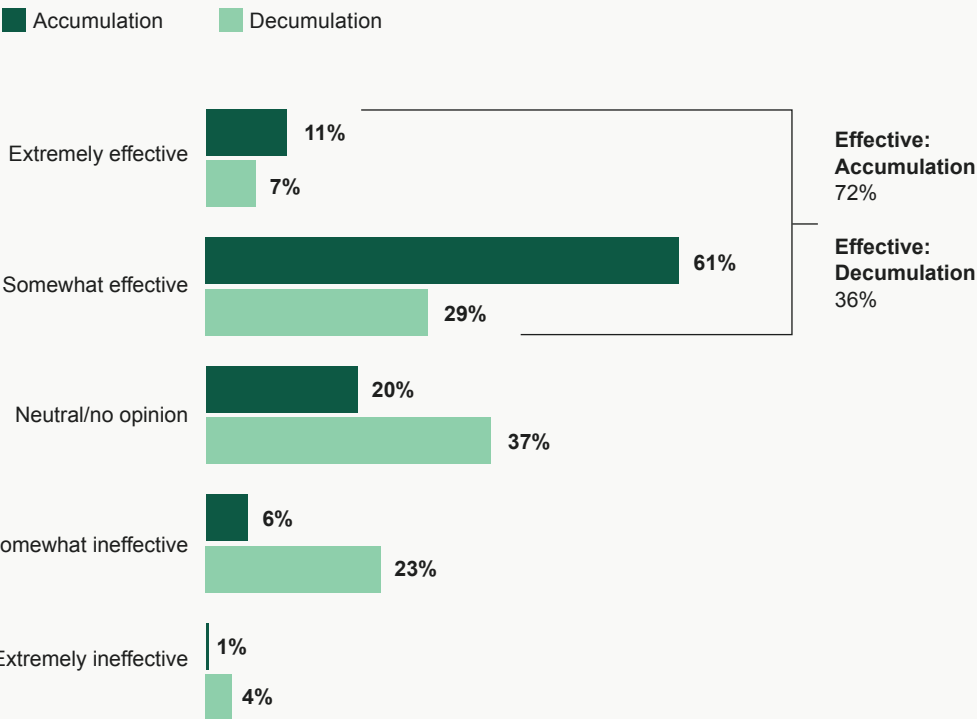
- Those that offer retirement income are more likely than those that neither offer nor are considering to say AI can help their participants select the best investments (79% vs. 69%).

Q24. To what extent do you agree or disagree with each of the following statements? (Total=500) *New 2026

Seven in ten sponsors feel their accumulation education is effective. Only one in three feel the same about their decumulation education.

FIGURE 43

Effectiveness of Participant Education:
Accumulation vs. Decumulation



Trend

- Fewer feel their education, for both accumulation and decumulation, is effective than in 2025.

Firmographic Differences

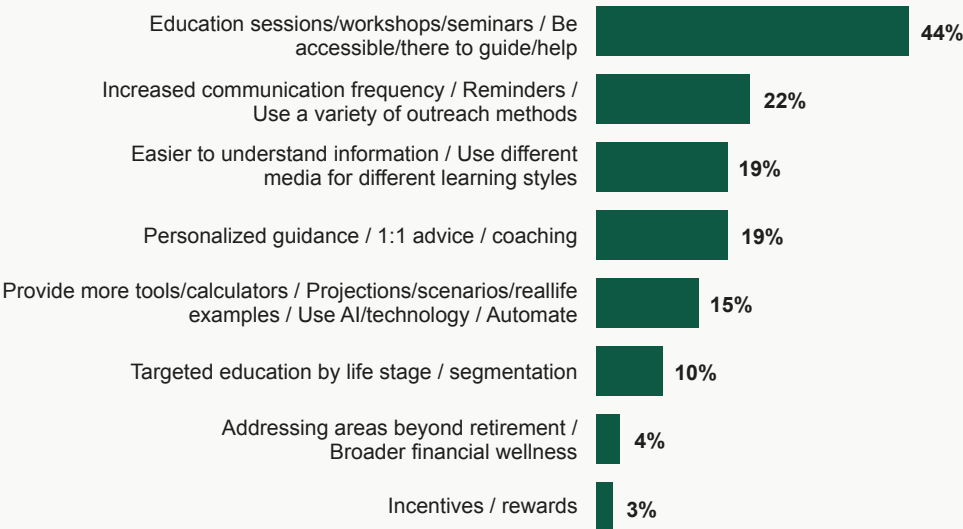
- Sponsors that either offer or are considering retirement income are more likely to find both their accumulation and decumulation education effective.
- Those with more employees with children are more likely to think their accumulation education is effective (82% vs. 69%).

Q29. How effective do you think your participant education is around each of the following topics? (Total=500)
Definitions for “Accumulation” and “Decumulation” were provided to survey respondents

To make education more effective, sponsors believe participants would benefit most from education sessions and seminars.

FIGURE 44

What Can Make Education More Effective



Firmographic Differences

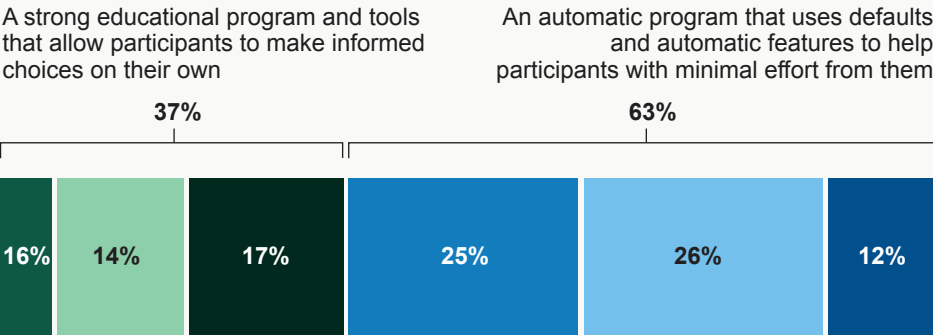
- Those with many employees who cannot afford to save more for retirement are less likely to say personalized guidance (13% vs. 21%) or more tools would make education (10% vs. 18%) more effective.

Q21. What do you feel you, a plan provider, or an advisor or consultant could do to make participant education more effective? Coded open-ends (Total=500)

For more positive outcomes, sponsors prefer an automatic program rather than a strong educational program that allows participants to make their own choices.

FIGURE 45

Effective for Positive Outcomes



Trend

- Preference for an automatic program increased since 2025 (63% vs. 47%).

Firmographic Differences

- Employers with less than 500 employees are more likely to prefer a strong educational program (43% vs. 31%).



What Do Participants Say?

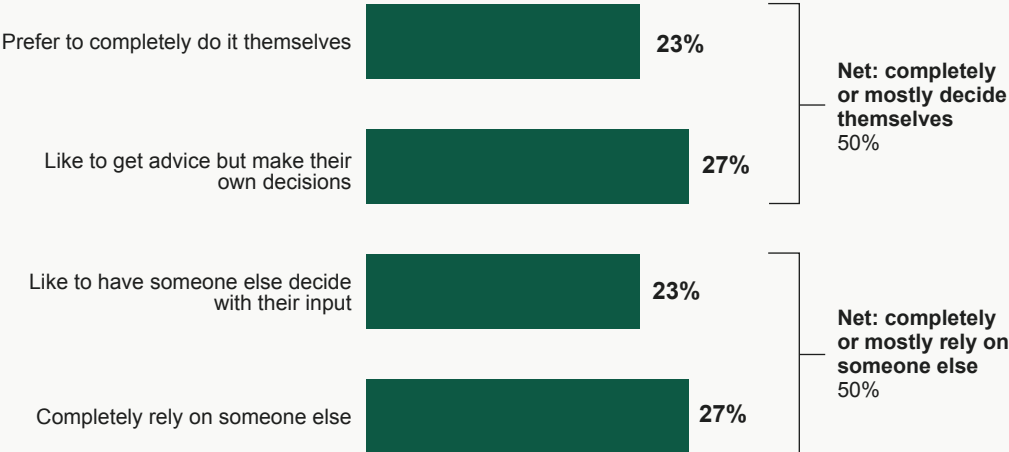
Participants are more divided – 53% prefer a strong educational program while 47% prefer an automatic program.

Q20. Which do you feel is more effective for positive outcomes for participants? (Total=500)

Perceived employee preference for research is split; they think half of their employees rely on someone else and another half prefer to decide themselves.

FIGURE 46

Employee Preferences for Researching Investment Decisions
(Average percents based on employer estimates; Means reported)



Trend

- More feel their employees completely rely on someone else than in 2025 (27% vs. 20%).

Firmographic Differences

- Those that neither offer nor are considering retirement income options are more likely to feel their employees completely rely on someone else (31% vs. 25% offer and 24% considering).



What Do Participants Say?

78% of participants either completely or mostly decide themselves.

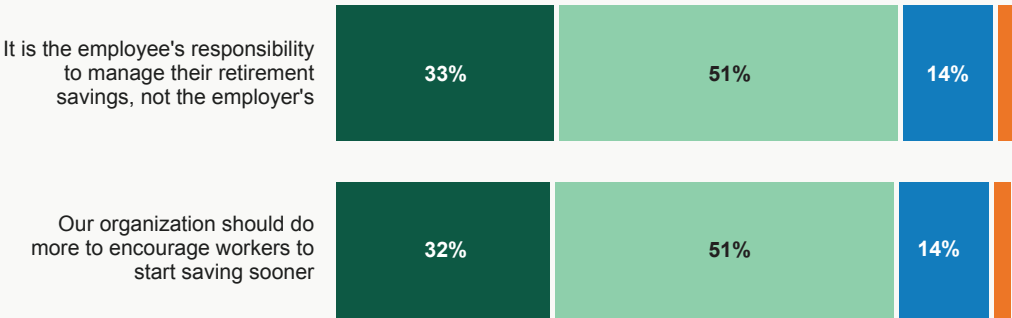
Q19. When it comes to doing research about investment decisions, what percentage of your employees fall on the following continuum? *****SUMMARY OF MEANS***** (Total=500)

Most sponsors feel it is their employees’ responsibility to manage their retirement yet agree that their organization should do more to encourage saving.

FIGURE 47

Level of Responsibility with Savings

Strongly agree Somewhat agree Somewhat disagree Strongly disagree



Trend

- More feel it is the employee’s responsibility to manage their retirement savings but that their organization should do more to encourage workers to start saving sooner than in 2025.

Firmographic Differences

- Sponsors that either offer or are considering retirement income are more likely to say their organization should do more to encourage earlier.

Q8. To what extent do you agree or disagree with each of the following statements? (Total=500)
Labels <5% not shown in graph

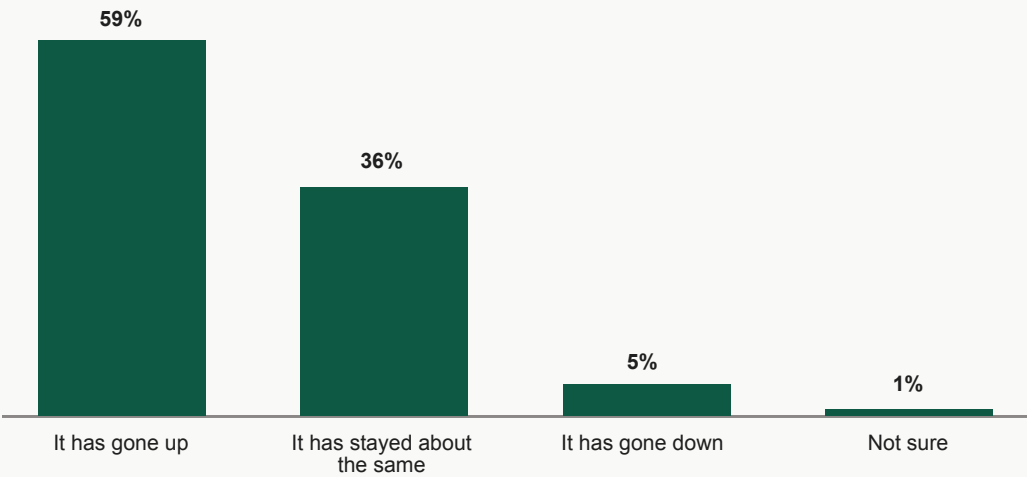
APPENDIX

Six in ten say that average savings rates, including employer match and profit sharing, have gone up over the past ten years.

- Very few have seen the rate go down.

FIGURE 48

Average Savings Rate Over Last 10 Years



Trend

- More report that the average savings rate has gone up than in 2025 (59% vs. 41%).

Firmographic Differences

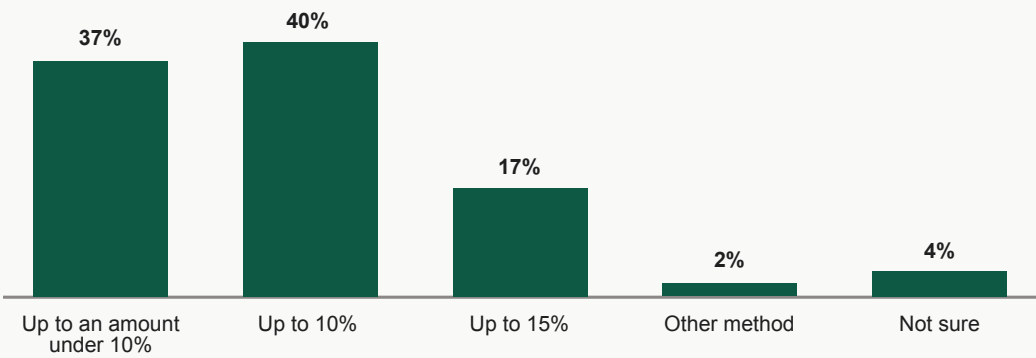
- Those who offer TDFs are more likely to have an average savings rate that has gone up (62% vs. 50% among those considering TDFs and 41% neither offering nor considering).

Q4. Over the last 10 years, how has your employees' average savings rate, including employer match and profit sharing, changed? (Total=500)

Of those with automatic increase, most allow increases up to 10%.

FIGURE 49

Maximum Automatic Increase Allowed



Trend

- The maximum automatic increase allowed has decreased, as more report a maximum up to an amount under 10% (37% vs. 18% in 2025).

Firmographic Differences

- Those with a younger workforce (more employees under age 30 than average) are more likely to allow a maximum under 10% (52% vs. 32%).

Q3. To what maximum amount does your automatic escalation/increase program allow? Filter: currently offers automatic escalation/increases (Total=269)

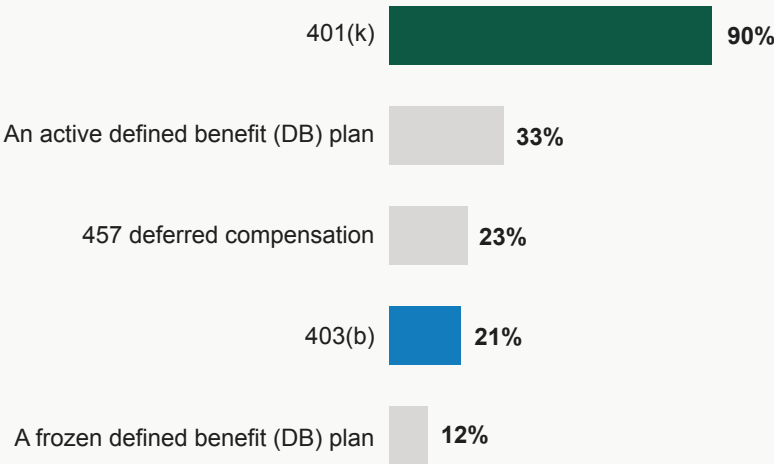
PROFILE OF RESPONDENTS

Nearly all sponsors offer a 401(k) plan and one in three offer an active DB plan.

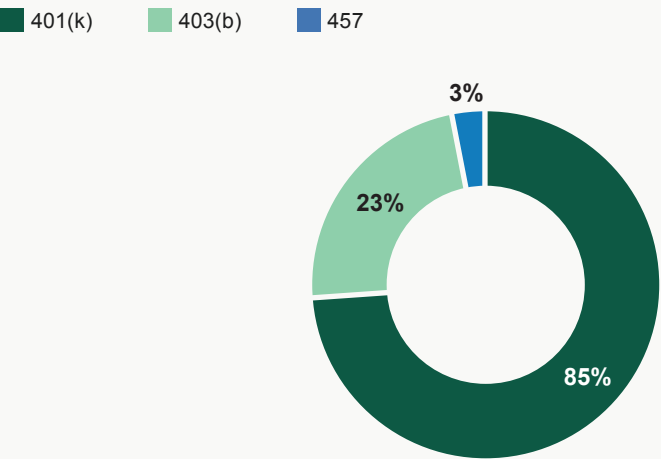
- For those that offer more than one, 401(k) plans are most often the largest.

FIGURE 50

Retirement Plans Offered



Largest Plan

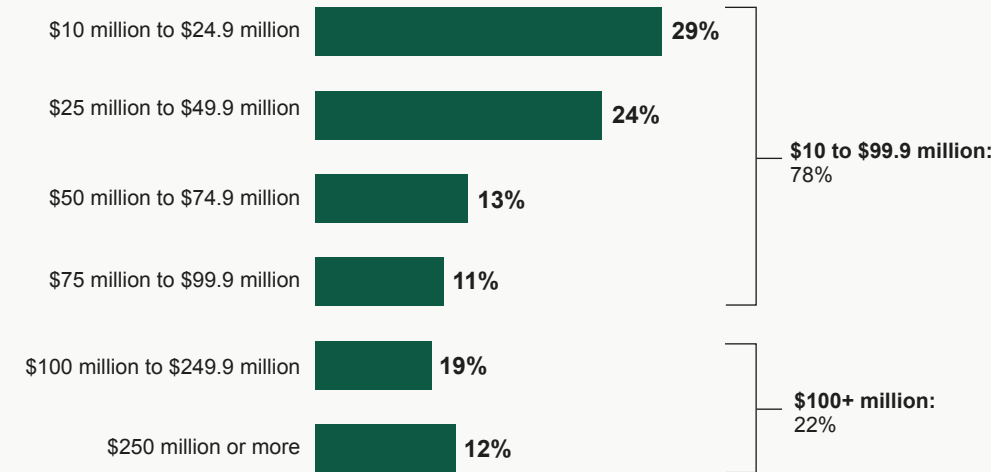


S3. Does your organization currently offer any of the following retirement plans? (Total=500)
S3D. Which plan is the largest? Filter: Offers more than one plan (n=153)

Nearly eight in ten have \$10 million to \$99.9 million in retirement plan assets.

FIGURE 51

Retirement Plan Asset Levels



S5. Considering all of your US retirement plans, what are the total plan assets? (Total=500)

Profile of Respondents

Number of Employees	n=500	Review DC Plan Recordkeeper	Total 2026	DC Recordkeeper	n=500
<50	10%	More than once a year	12%	Fidelity	32%
50-249	27%	Every 1-2 years	48%	Empower Retirement	12%
250-999	29%	Every 3-4 years	30%	Principal Financial	9%
1,000+	34%	Every 5-9 years	5%	Vanguard	6%
		Every 10 years or more	<0.5%	Third Party Administrator (TPA)	4%
Decision-Making Role with DC Plan	n=500	Only as needed, no regular schedule	5%	Lincoln Financial	4%
I am a final decisionmaker	53%			Voya	4%
I have considerable influence	47%			Bank of America/ Merrill Lynch	4%
		Organization	n=500	TIAA	3%
		Privately held	79%	T. Rowe Price	3%
		Publicly held	13%	Alight	2%
		A government entity	2%	Wells Fargo	2%
		An educational institution	6%	Prudential	1%
Extremely/Very Involved	n=500			Do not retain a recordkeeper	2%
Making decisions about plan design, such as whether to use automatic enrollment or what the employer contributes to the plan	100%	Year Founded	n=500		
Selecting the plan provider or recordkeeper	99%	1969 or earlier	30%		
Communicating with employees about their retirement plan benefits	96%	1970-1989	15%		
Selecting and/or monitoring the investment options	94%	1990-1999	13%		
		2000+	42%		

Profile of Respondents

Employees Under Age 30	n=500	Employees Age 50 or Older	n=500	Employees with Children on Health Plan	n=500
<10%	4%	<10%	2%	<10%	2%
10-29%	57%	10-29%	48%	10-29%	17%
30-49%	27%	30-49%	39%	30-49%	32%
50-69%	8%	50-69%	9%	50-69%	28%
70%+	2%	70%+	1%	70%+	13%
<i>Mean</i>	<i>26%</i>	<i>Mean</i>	<i>29%</i>	<i>Mean</i>	<i>44%</i>

Employees Age 30 to 49	n=500	Employees: Women	n=500
<10%	0%	<10%	1%
10-29%	11%	10-29%	10%
30-49%	41%	30-49%	38%
50-69%	41%	50-69%	40%
70%+	5%	70%+	10%
<i>Mean</i>	<i>45%</i>	<i>Mean</i>	<i>48%</i>